



# Missouri Gaming Commission

Annual Report to  
the General Assembly  
Fiscal Year 2000

L.G. Ullery,  
*Chairman*

Robert C. Smith,  
*Vice-Chairman*

Lynne R. Nikolaisen,  
*Secretary*

J. Joe Adorjan,  
*Commissioner*

Muriel Battle, Ph.D.,  
*Commissioner*

# Missouri Gaming Commission

## Mission Statement

*“To administer honestly, equitably and efficiently the statutes and rules and regulations that govern the riverboat gaming, bingo and horse racing industries in Missouri.”*

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# The Commissioners

## Major L.G. Ullery (retired), *Chairman*



Major Glen Ullery retired from the Missouri State Highway Patrol in 1991. After retirement, Major Ullery served as Safety Director for Crabtree-Harmon Corp. where he established and organized its safety department. Major Ullery continues to work as a safety consultant for various organizations. During his 27-year career with the Highway Patrol, Major Ullery was instrumental in developing programs to reduce fatalities on the highways and increase safety monitoring of the public. He implemented a statewide drug interdiction program, reintroducing techniques and encouraging officers on the road to be alert to criminal activities and operations. This program has been recognized as one of the best criminal apprehension efforts in the nation.

## Robert C. Smith, *Vice-Chairman*



Mr. Smith is a retired senior partner in the firm of Smith, Lewis, Beckett, Powell & Roark. He formerly served as a Master in Federal Court on insurance litigation. He has served as an arbitrator for the U.S. and Midwest Arbitration Associations and as a Missouri Administrative Hearing Commissioner. Mr. Smith served as a member of the Missouri House of Representatives from 1953-56, including two years as Speaker Pro-tem. He was Mayor of Columbia from 1961-63. Mr. Smith has served on numerous Missouri Bar Association boards, including the Board of Governors from 1975-79. He has served as a member of the Stephens College Board of Curators; President of Columbia Kiwanis; President of the Missouri Symphony Society; and a Member of the State Historical Society Board of Trustees. He has received the Missouri Bar Pro-bono Award; University of Missouri Alumni Faculty Award; University of Missouri Law School Citation of Merit; Outdoor Writers Association Of America Ham Brown Service Award; and is an Honorary Citizen of Fulton, Missouri.

## Lynne R. Nikolaisen, *Secretary*



Lynne R. Nikolaisen is a former Regional President for Mercantile Bank NA. She began her banking career in 1980, holding various sales and management positions for the two largest banks in St. Louis. At the present time Ms. Nikolaisen currently manages various business investments. Ms. Nikolaisen is currently or has been involved as a member and/or director of the RCGA, NAWBO, the Mathews-Dickey Boys Club, Outstanding Women, the Missouri Development Finance Board, the St. Louis AMC Cancer Research Board and the Board of the Crohns Colitis Foundation-Gateway Chapter. She is also active in fundraising for various charitable and civic organizations.



## J. Joe Adorjan



Mr. Adorjan is a partner of Stonington Partners, Inc., an investment firm managing over \$1 billion of capital focused on investment of equity capital in corporate acquisitions. He also serves as chairman of Adven Capital, a private investment firm. Mr. Adorjan was chairman and chief executive officer of Borg-Warner Security Corporation from 1995 to 1999. Prior to joining Borg-Warner, Mr. Adorjan was president of Emerson Electric. He also served as chairman and chief executive officer of ESCO Electronics Corporation from 1990 to 1992.

Mr. Adorjan serves as a director of the Earthgrains Company, Goss Graphics Systems, Inc. and Dynegy Corporation. He also serves on the Board of Directors of Grand Center Development Corporation, Rankin Technical College and is Chairman of the Board of Trustees of St. Louis University.

## Dr. Muriel Battle



Dr. Muriel Battle is a retired educator, having served as Associate Superintendent, Principal, Teacher and Director of Activities for the Columbia Public Schools. In addition, Dr. Battle served as an Adjunct Professor at the University of Missouri-Columbia and works as an educational consultant.

Dr. Battle is the author of *Time Management: How to Get Control of Your Life*. She is the President of the MU Educational Alumni, President of Delta Kappa Gamma and past-President of the Women's Network/Columbia Chamber of Commerce. Dr. Battle is a member of the Stephens College Board of Trustees, Phi Delta Kappa, the Callaway Bank Board, Boone County Hospital Instructional Review Board, University Medical Board, Columbia Public Schools Foundation Board and Delta Sigma Theta Sorority. She is the recipient of the Fred V. Heinkel Award from Shelter Insurance and the UMC Faculty Alumni Award. In addition, Dr. Battle and her husband Elliott, were the year 2000 recipients of Columbia Chamber of Commerce Citizens of the Year Award.



# Message from the Chairman

Governor Carnahan & Members of the General Assembly:

It is my pleasure to present the Missouri Gaming Commission's annual report for fiscal year 2000. I submit the report to comply with Section 313.837, RSMo. On behalf of the Commission I thank you for responding to the Commission request to consolidate the two statutory sections requiring an annual report. By adopting Senate Bill 902 last session, you were able to eliminate a redundant statute and save the Commission time and the state, money.

The report contains an account of the Commission's activities over the past year including a summary of the status of each licensed gaming facility; a report of gaming tax and admission fee collections; an analysis of the impact of continuous boarding; an update on the Commission's programs for problem gambling; and a report on the status of charity gaming.

In addition, the report contains a short section fulfilling the Commission's statutory mandate to report on the effect of the tax rate and the loss limit on the competitiveness of the industry. The Commission has received no new data that would change the information it provided to you in previous years and, therefore, this section is abbreviated this year to avoid redundancy.

I am pleased to report that the Commission's decision to allow continuous boarding has been a good one. There is no evidence of the adverse impacts predicted by the few opponents of this rule change. Conversely, the Commission's analysis showing that the boarding restriction inhibited enforcement of important regulatory concerns has proven accurate. By creating an artificial bottleneck of patrons, the boarding restriction inhibited the enforcement of the loss limit, detection of minors, intoxicated

patrons and problem gamblers. With a more even flow of patrons, casino workers and gaming agents are able to perform their jobs more effectively.

Two important events that consumed much of the Commission's time and resources last year were the investigation in the activities of St. Louis attorney Michael Lazaroff and his contacts with former chairman Robert Wolfson and consideration of whether the St. Louis metro area could support another casino. Each of these situations was the subject of intense public scrutiny and controversy. Both highlight the difficulty of the task assigned to the Commission by the General Assembly to implement the people's will to have riverboat gambling.

The Commission and its staff have placed the highest emphasis on



**Rest assured that the Commission is serious about demanding that its members maintain the highest standards of integrity. We welcome the opportunity to work with you to amend the gaming statute to enact criminal penalties for Commissioners and staff who violate ethics restrictions. The new provisions should also include strict penalties for applicants, licensees and their representatives who attempt to improperly influence the Commission.**

establishing strict rules and expecting its members and employees to avoid even the appearance of impropriety. When evidence emerges that one of the Commission's own members has violated the public trust it affects us all. While the Commission found the results of the investigation to be painful, it knows the only way to address such problems is take them head-on in a public forum for all to see.

At the time of this writing this investigation is continuing and, therefore, you will see little commentary about it in this report. However, rest assured that the Commission is serious about demanding that its members maintain the highest standards of integrity. We welcome the opportunity to work with you to amend the gaming statute to enact criminal penalties for Commissioners and staff who violate ethics restrictions. The new provisions should also include strict penalties for applicants, licensees and their representatives who attempt to improperly influence the Commission.

The Commission also concluded its 18-month analysis of the St. Louis metro market, concluding that the southern region of the market could support another casino. The Commission selected the Isle of Capri proposal in Jefferson County as a priority for investigation. This was by far the most intensive, thorough and complete selection process ever undertaken by the Commission.

Over the 18-month period staff met with any individual or group that requested a meeting. The Commission personally heard from anyone expressing a desire to speak and no one was denied the opportunity to appear. The staff utilized the existing casino's own customer database, to analyze the market.

Some have since questioned the Commission's process. They have done so without factual basis or hard evidence. The Commission responded by inviting the U.S. Attorney and the Attorney General to investigate the process. We are confident that any such investigation will result in a finding that the Commission's analysis was a straight

deal, free from improper influence.

On behalf of the Commission and its staff, I thank you for the opportunity to present this report. I hope you find it useful. The Commission and its staff look forward to working with you in the upcoming legislative session.

Sincerely,



L.G. Ullery  
Chairman



# § 313.837 Report on Competitiveness

## Introduction

Section 313.837, RSMo. requires the Commission to report annually to the General Assembly “the status of the competitiveness of Missouri excursion gambling boats when compared to the gaming tax rate of adjoining states and the effects of the loss limits imposed by subdivision (3) of Section 313.805, RSMo., on the competitiveness of the gaming industry in Missouri.”

## Competitive Impact of Missouri’s Gaming Tax Rate

The gaming tax rates imposed on riverboat gaming operations in Missouri have not changed since the first licenses were issued in May 1994. Missouri law imposes an 18% tax on the adjusted gross receipts (AGR) of riverboat gaming operators.<sup>1</sup> In addition, a local tax of 2% on AGR is collected by the state and distributed to each home dock city or county.<sup>2</sup>

The statute also imposes an admission fee on the operators of excursion gambling boats in the amount of two dollars (\$2) per patron, per excursion, which is split between the home dock community and the state.<sup>3</sup> Furthermore, pursuant to section 313.824, RSMo., excursion gambling boat operators are charged for the cost of gaming agents that are assigned to the riverboat with the responsibility of protecting the public. While the cost of Commission agents varies with each operation, the average annual cost is approximately \$587,018 per gaming facility.

<sup>1</sup> Adjusted gross receipts are defined by Section 313.800, RSMo., as “the gross receipts from licensed gambling games and devices less the winnings paid to wagerers.” In other words, the amount the casino “wins” from patrons. It is often referred to as “casino win”. The tax on AGR is set forth in Section 313.822, RSMo.

<sup>2</sup> Section 313.822, RSMo.

<sup>3</sup> Section 313.820, RSMo.

## Effective Gaming Tax Rate

States that have legalized gaming have devised a variety of different taxes, fees and assessments that apply to casino operators. In addition, varying regulatory policies have a significant impact on the amount of revenue a casino generates. In order to compare the effects of such policy decisions, industry analysts and those who research public policy issues related to gaming have devised a simple formula to compare the public costs paid by gaming operators in various states. Commonly referred to as the “effective tax rate” the formula is simply the total of all gaming taxes, fees and assessments as a percentage of gross revenue.<sup>4</sup>

<sup>4</sup> The formula only includes taxes and fees that are unique to the gaming industry. Therefore, such things as state income or sales tax are not included.

The effective tax rate is a helpful tool on at least two levels. First, it consolidates into one number all gaming taxes, fees and assessments that casino operators are required to pay. These expenses are typically separated in public report tables and it becomes difficult to evaluate the total costs being paid by a casino operator in order to maintain the privilege of being licensed. In addition, assessments against a licensee for various regulatory activities are often not reflected in the

revenue reports that are distributed by the states.<sup>5</sup> However, these costs can be significant and must be considered in evaluating the effect of taxes and regulations on the economic impact of gaming.

The effective tax rate is instructive in comparing the impact of varying state regulatory schemes on gaming revenues. When regulations limit the amount of revenue that a gaming facility can generate, it will be reflected in the effective tax rate. Naturally, there are some instances, such as the \$500 loss limit in Missouri or the betting limits in Colorado or South Dakota, where the policy objective is intended to reduce revenue. In such cases, the effective tax rate is a useful tool in analyzing the cost of those policy objectives.

The effective tax rate is also a good indicator for evaluating many ramifications of tax policy. For instance, a good case can be made that graduated tax rates on gross casino revenue act as a deterrent to capital investment. When a company decides to commit additional capital to a casino property, it naturally expects to generate additional revenue to earn a reasonable return on its investment. However, if tax rates are graduated up, the casino company must consider the fact that any new injection of capital must generate substantially higher return than existing capital in order to cover the cost of the higher tax rate. The higher taxes will be reflected in the company's effective tax rate. While other market forces such as the quality of the operation, access to the property and demographics must be considered, the effective tax rate provides a good base comparison of state regulatory schemes.

## Illinois Legislative Changes

In recent years, the Illinois legislature has enacted major changes to the riverboat gaming tax structure. In 1998, the flat 20% tax on adjusted gross receipts was abandoned in favor of a progressive scale ranging from 15% to 35% of gross revenue.<sup>6</sup> In 1999, the legislature eliminated the stayover admission fee along with the cruising requirement.<sup>7</sup> Illinois chose not to continue collecting stayover fees by eliminating phantom cruises similar to those conducted in Missouri, electing instead to assess only one \$2 fee per patron rather than a \$2 fee for each two hour "cruise".<sup>8</sup>

## Impact of Continuous Boarding on Admission Fees

Although the Commission's rescission of the administrative rule restricting boarding was not implemented until several months into fiscal year 2000, continuous boarding had a significant impact on state and local admission fees. In total, state and local admission fees in FY 2000 were up 18.7% over FY 1999. This is due in large part to the fact that a customer's first stay-over gaming session

<sup>5</sup> For instance, Section 313.824, RSMo. requires that the riverboat gambling operators reimburse the Commission for the full cost of the staff necessary to protect the public. Last year this resulted in an average annual cost of \$587,018 per gaming facility. However, these costs are not included in the revenue report issued by the Commission.

<sup>6</sup> Illinois P.A. 90-548, 1998. The scale imposes a tax of 15% on AGR up to \$25 million; 20% between \$25 and \$50 million; 25% between \$50 and \$75 million; 30% between \$75 and \$100 million; and 35% over \$100 million.

<sup>7</sup> SB 1017, Illinois General Assembly, 1999.

<sup>8</sup> Id.

comes sooner in a continuous boarding environment.<sup>9</sup>

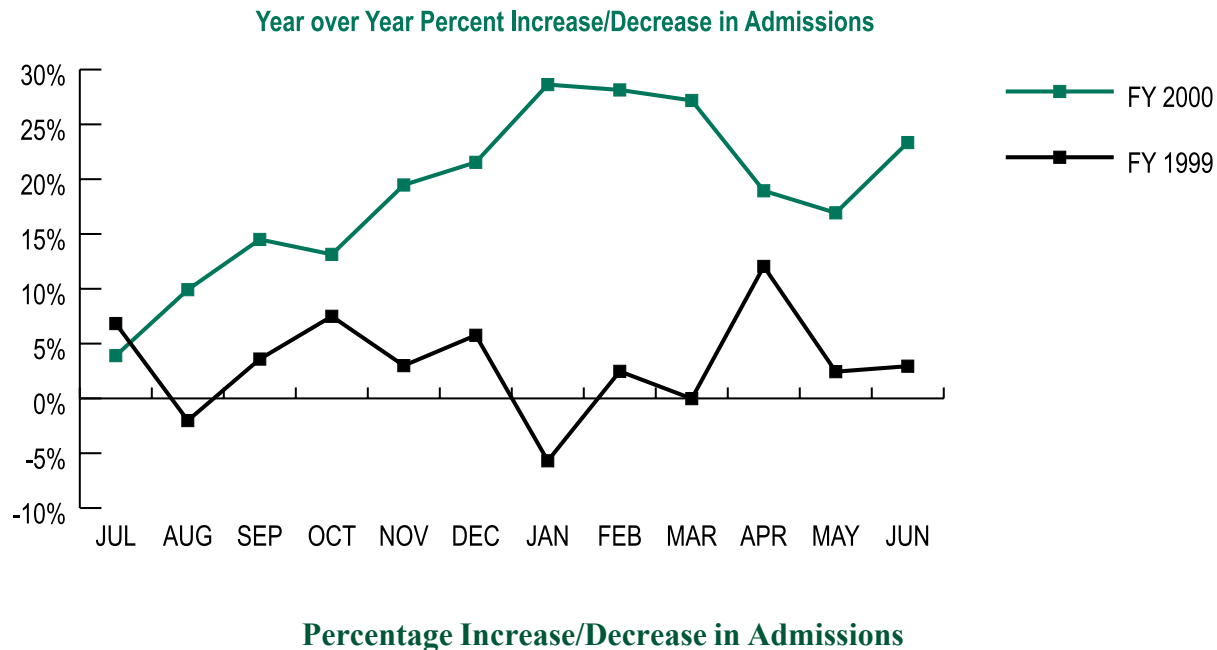
### Comparing the Missouri Tax Rate to Other Jurisdictions

Until recently, Missouri's gaming tax was structured almost identically to Illinois, the state that hosts its principal competitors. The Missouri tax rate is significantly higher than the Iowa rate and is difficult to compare to casino operations at Indian reservations in Kansas because revenue figures are not available and no taxes are assessed. The Missouri tax structure was originally patterned after the Illinois system. However, recent legislative changes have been enacted in Illinois that now significantly distinguish its tax rates from Missouri's.

Furthermore, the addition of more Indian casinos in Kansas has increased competition in the Kansas City and St. Joseph markets. While the Kansas Indian casinos face a disadvantage because of their less convenient locations, the fact that they pay no state taxes and do not have loss limits provide them with a tremendous advantage over their Missouri competitors.<sup>10</sup> In addition, Indian tribes are attempting to secure permission to open casinos in Miami County, Kansas and at the Woodlands racing facility in Kansas. Both of these proposed sites have close proximity to casino operators in the Kansas City area and would have a substantial and immediate impact on jobs and state revenue.

<sup>9</sup> For a detailed discussion of the impact of continuous boarding, please refer to the section beginning on page 18 of this report.

<sup>10</sup> Indian casinos are not regulated by any independent agency. Therefore, Indian casino operators do not have to pay for the cost of regulation, which is significant.





## The Competitiveness of the Missouri Tax Rate

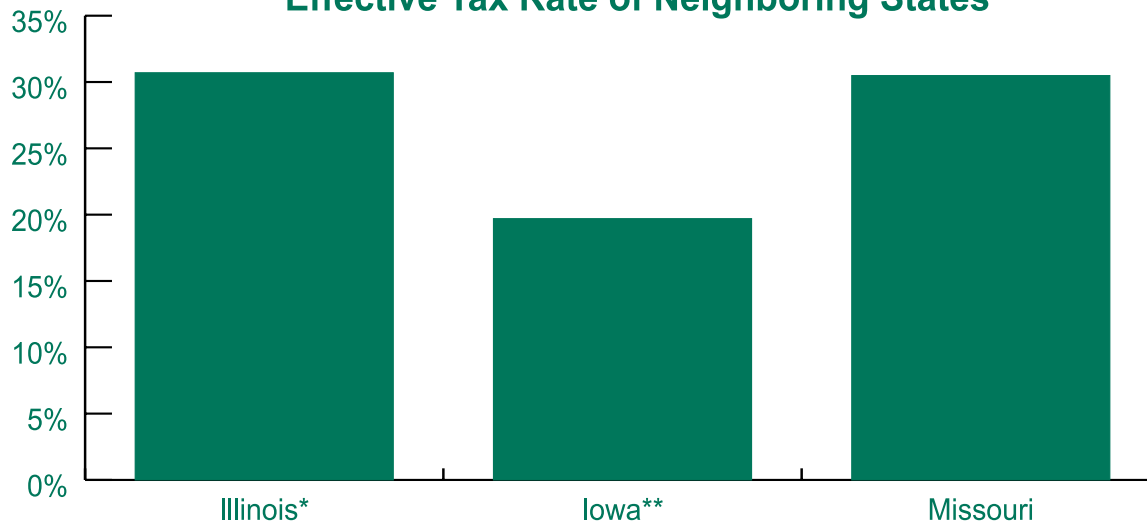
Last year the Commission opined that, as a result of the 1998 Illinois tax increase, Missouri's gaming tax rate on AGR is more conducive to capital investment than the Illinois' highly graduated tax system.<sup>11</sup> This theory seems to be borne out by the fact that the effective tax rate for Illinois operators remained virtually unchanged at 30.7% despite considerably lower admission fees. The \$5.6 million reduction in admission fees was more than offset by an increase in the effective gaming tax rate from 26.0% to 27.5% due to the graduated tax rate rule. Overall, the strong AGR growth in Illinois resulted in the casinos paying gaming tax at the higher rate.

Illinois admission fees were lower last year because when the Illinois legislature authorized dockside gaming and permitted continuous boarding, it did not impose stay-over admission fees. Pursuant to state statute, Missouri operators are assessed a \$2 admission fee for each patron attending each gambling excursion.<sup>12</sup> The Illinois law requires operators to pay only one \$2 admission fee for each patron entering the casino.

<sup>11</sup> Missouri Gaming Commission Annual Report to the General Assembly, Fiscal Year 1999, pages 13-14.

<sup>12</sup> Because of the loss limit, the Commission continues to require operators to conduct 2-hour gambling excursions. Since Illinois has no loss limit, there are no "phantom cruises" in their new continuous boarding environment.

### Effective Tax Rate of Neighboring States



\* Based on calendar year 1999

\*\* Excludes slot machines at race tracks.

Furthermore, unlike Missouri, Illinois does not charge for the cost of Commission agents assigned to gaming facilities to protect the public. In FY 2000, Missouri casino operators were assessed \$5,870,163.67 to pay for the cost of Commission agents assigned to gaming boats to protect the public.

There have been no changes to the Iowa tax rate since the first Missouri gaming facilities were licensed in 1994. Because its graduated rate tops out at 20%, Iowa has a lower tax on AGR than Missouri. In addition, Iowa's admission fee is set by the Commission and designed only to cover the cost of regulation and provide some local revenue. Therefore, Iowa gaming facilities pay an average of \$1.40 less per admission than their Missouri competitors.

The Missouri tax rate is certainly one of the highest in the gaming industry. However, its structure has some inherent advantages over Illinois and the lower tax rate in Iowa does not appear to be affecting the competitiveness of the Missouri operators. Certainly, over the long term, the fact that Kansas Indian casinos pay no tax will have an impact on western Missouri operators. Finally, because Missouri has chosen the gradual approach to licensure by waiting to introduce new gaming capacity into a market until there is some indication that it can be absorbed, the tax rate has been effectively managed by the Missouri casino licensees.<sup>13</sup>

<sup>13</sup> While many gaming operations struggled during the start-up period for riverboat gambling, all of the current licensees are generating positive EBITDA (Earnings Before Interest, Taxes and Depreciation).



## Effect of the Loss Limit on Competitiveness

Missouri operators continue to be at a competitive disadvantage when compared with gaming operators in neighboring states with no loss limits. The disadvantage continues despite expansion efforts and new property developments, which have produced facilities that are larger, provide superior comfort and more non-gaming amenities than their competitors in other states. For the sixth consecutive year, the data clearly shows that the loss limit reduces customer counts and gaming revenue. The inconvenience of the loss limit results in the export of Missouri gaming customers to other states and the loss of potential gaming revenue from local gamers and tourists.

This proposition is supported not only by the chart on page 13, but also by the fact that Illinois riverboats are capturing a larger market share than that state's population base represents. Missouri residents account for 76% of the St. Louis metropolitan area population base.<sup>14</sup> However, Missouri casinos in the St. Louis metropolitan area capture only 61% of the gaming revenue market.<sup>15</sup> This equates to an inequity of \$97 million in relation to gaming revenue and \$30 million in

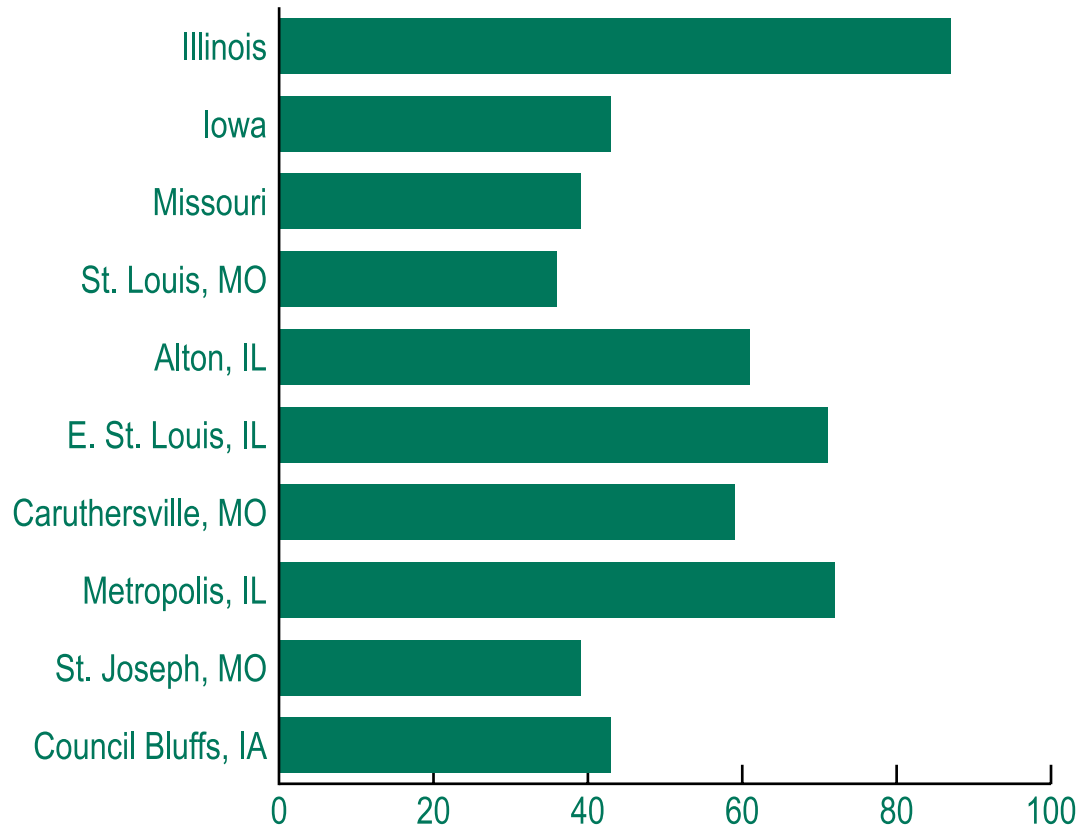
<sup>14</sup> Rand McNally Metropolitan Statistical Areas, January 1, 1998 estimate.

<sup>15</sup> Based on Missouri fiscal year 2000 data from the Illinois Gaming Control Board and the Missouri Gaming Commission. The loss of revenue to Illinois continues to grow. Illinois casinos increased their share of the St. Louis market by 5% last year, netting them an additional \$41.6 million in gaming revenue.

state and local taxes per year.

The Commission has spent thousands of hours working to improve enforcement of the loss limit. The Commission has and will continue to vigorously enforce the loss limit. In the past year, the Commission has fined casinos \$660,000 for loss limit violations. Please note that the above findings are intended to satisfy the Commission's statutory mandate to report annually to the General Assembly on the effects of the loss limit on the competitiveness of the gaming industry in Missouri. The enactment of any changes in policy as a result of these findings are obviously the purview of the General Assembly and the Governor.

## Casino Win Per Patron





# Gaming Market Report

## Introduction

This section is intended to provide an overview of the statewide and regional gaming markets. The Commission closely monitors the markets to determine whether additional capacity is merited. The Commission's charge is to issue licenses to applicants which best serve the interests of the citizens of Missouri.<sup>16</sup> In order to fulfill this responsibility, the Commission evaluates each market to determine whether new gaming capacity can be added without unduly impacting previously licensed facilities. The Commission has been hesitant to license a facility that would create an oversaturated market because of the negative impact it would have on local government budgets that are formulated based on expected gaming revenues. In addition, oversaturated markets in high tax states like Missouri have a strong tendency to result in seedy business practices, lax regulatory compliance and cost cutting measures that negatively affect the overall quality of the gaming facilities. Furthermore, it would result in displacement and unemployment among casino workers, thus harming Missouri families. Therefore, the Commission strives to avoid oversaturation. However, should a facility become substandard, fall into disrepair or otherwise become non-competitive, the Commission would be forced to consider new projects of better quality that meet the high standards it sets for licensees.

<sup>16</sup> Section 313.805(1), RSMo.



## Statewide Market

Statewide, gaming revenue reached \$977 million in fiscal year 2000, a 9% increase over the prior year. The results reflect a 5% increase in patrons combined with a 4% increase in Win Per Patron (WPP). In general, patron volume benefited from open boarding, while WPP was favorably impacted by higher slot play per patron. With no new casino openings scheduled for fiscal year 2001, growth will likely moderate as the Missouri markets mature. In terms of gaming revenue, Missouri is still ranked eighth out of the twelve states that offer casino style gaming.<sup>17</sup> In terms of growth, Missouri is ranked seventh, down from third last year. The following table offers a statewide statistical comparison of fiscal years 1999 and 2000.

<sup>17</sup> Based on calendar year 1999 results. Indian gaming facilities do not publicly report financial data, therefore this statement does not include those facilities or states that have Indian gaming exclusively.

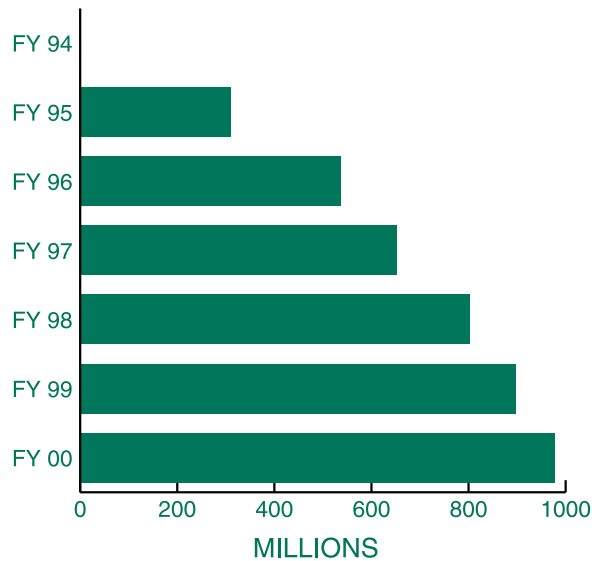
	<u>FY 2000</u>	<u>FY 1999</u>	<u>% Change</u>
<b>Gaming Revenue</b>	\$ 977,261,068	\$ 898,003,288	8.8%
<b>Patrons</b>	24,930,401	23,842,966	4.6%
<b>Win Per Patron</b>	\$ 39.20	\$ 37.66	4.1%

## Kansas City Market

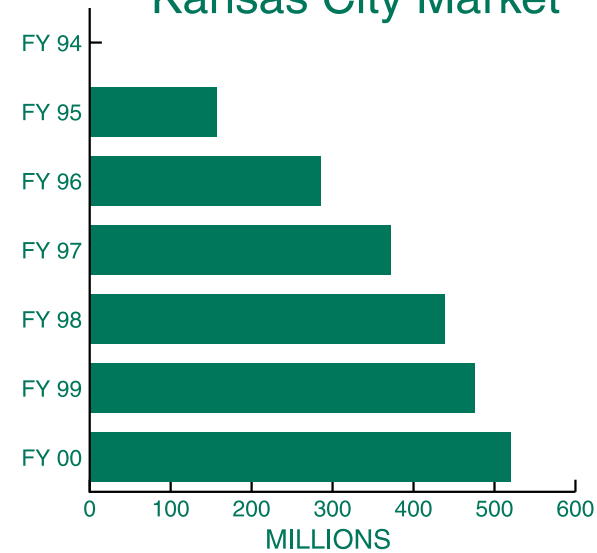
The Kansas City market posted gaming revenue of \$521 million for the fiscal year, a 9% increase over the prior year. The results reflect a 2% increase in patrons combined with a 7% increase in WPP. The increase in WPP primarily reflects higher slot play per patron and a higher slot hold percentage. Patron growth will likely remain relatively flat in the coming year which means casinos will need to generate growth from their existing customer base. Harrah's and Station are in a virtual dead heat for the top spot in the market. In terms of gaming revenue, the Kansas City market still ranks thirteenth out of thirty-three markets in the United States.

	<u>FY 2000</u>	<u>FY 1999</u>	<u>% Change</u>
<b>Gaming Revenue</b>	\$ 520,875,006	\$ 475,964,027	9.4%
<b>Patrons</b>	12,579,746	12,289,192	2.4%
<b>Win Per Patron</b>	\$ 41.41	\$ 38.73	6.9%

## Statewide Gaming Revenue



## Gaming Revenue Kansas City Market



## St. Louis Market

The Missouri boats in the St. Louis market posted slower growth with gaming revenue of \$411 million, an 8% increase over the prior year. The growth in the prior year was 17%. The slower growth primarily reflects the maturing of the Harrah's Maryland Heights casino and will likely continue in the coming fiscal year. Harrah's Maryland Heights acquired Players in March 2000, and is now by far the largest casino in the state.

The Illinois boats in the St. Louis market posted gaming revenue of \$258 million, an exceptional 34% increase over the prior year, on a similar increase in patrons. The gain reflects Illinois' move to dockside gaming and open boarding. Illinois captured 39% of the gaming revenue market share in the St. Louis market with only 24% of the population base, due primarily to the absence of a loss limit. This equates to an inequity of \$97 million in relation to gaming revenue and approximately \$30 million in state and local taxes per year.<sup>18</sup> In terms of gaming revenue, the St. Louis market is ranked tenth out of thirty-three markets in the United States.

<sup>28</sup> Based on Missouri fiscal year 1999 data from the Illinois Gaming Control Board and the Missouri Gaming Commission.



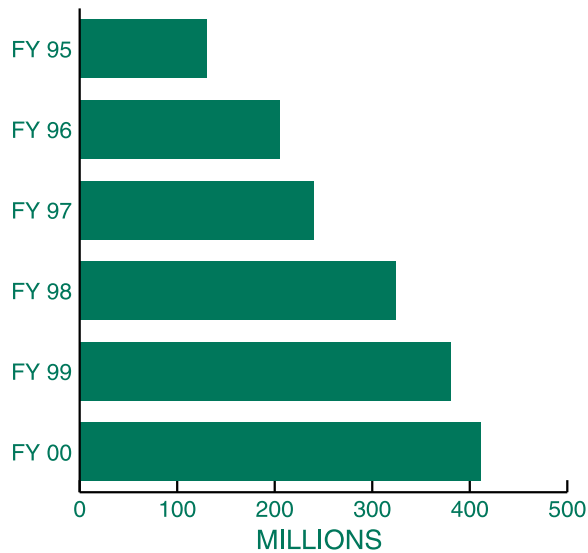
	<b>FY 2000</b>	<b>FY 1999</b>	<b>% Change</b>
<b><u>Missouri Boats</u></b>			
Gaming Revenue	\$ 410,938,394	\$ 380,406,872	8.0%
Patrons	11,394,590	10,657,171	6.9%
Win Per Patron	\$ 36.06	\$ 35.69	1.0%
<b><u>Illinois Boats</u></b>			
Gaming Revenue	\$ 257,719,000	\$ 192,999,000	33.5%
Patrons	3,866,000	2,906,000	33.0%
Win Per Patron	\$ 66.66	\$ 66.41	0.4%

## Other Markets

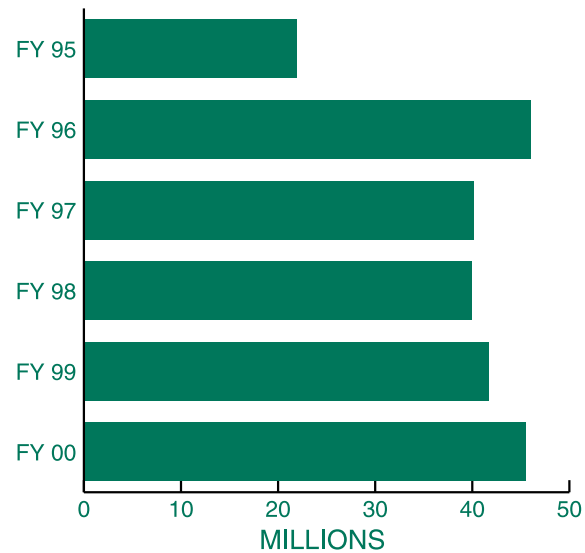
The more isolated markets in Caruthersville and St. Joseph posted accelerated growth with gaming revenue of \$45.4 million for the fiscal year, a 9% increase over the prior year. The growth rate in the prior year was only 4%. The markets benefited substantially from open boarding resulting in higher patron volume. The Caruthersville facility displayed the most improved results with gaming revenue growth of 11% compared to a decline of 3% in the prior fiscal year.

	<u>FY 2000</u>	<u>FY 1999</u>	<u>% Change</u>
<b>Gaming Revenue</b>	\$ 45,447,666	\$ 41,632,388	9.2%
<b>Patrons</b>	956,065	896,603	6.6%
<b>Win Per Patron</b>	\$ 47.54	\$ 46.43	2.4%

**Gaming Revenue**  
St. Louis, Missouri



**Gaming Revenue**  
Caruthersville & St. Joseph





# Continuous Boarding

## Introduction

Last year, after an eighteen month review of the usefulness of the boarding restriction, the Commission voted to repeal it. The boarding restriction was first imposed when the initial excursion gambling boats were licensed in May 1994. The Commission's review was prompted by its reservations about the value of the boarding restriction. In addition, in January 1998, the *Joint Committee on Gaming and Wagering* recommended that the boarding restriction be revised to be consistent with the laws enacted to regulate riverboat gambling.<sup>19</sup> The Committee suggested that the revisions should ensure the public safety and provide economic benefits to the citizens of the state.

## Effect of Continuous Boarding

Continuous boarding did not materially increase gaming revenue for the Missouri casinos as a whole. However, it did provide some benefit on an isolated basis. The most significant effect of opening boarding was the increase in admission fees experienced by all the casinos.

Continuous boarding is most helpful to single-boat facilities, particularly those located outside major metropolitan areas. Casinos in Caruthersville and St. Joseph realized a significant increase in gaming revenue. This increase is particularly helpful for the Aztar casino in Caruthersville, which had endured several years of negative cash flow and is now becoming profitable.

The rule change also saved the President from becoming an unprofitable operation when Illinois allowed it direct competitor, the Casino Queen, to continuously board patrons last June. The Commission's decision to amend its rules to allow continuous boarding clearly mitigated some of the damage from Illinois' move to continuous boarding and dockside gaming. In the Kansas City market, Argosy and Hilton benefited from some gaming revenue diversion from Harrah's and Station, especially in the table games sector.

Time has provided ample evidence that the Commission's predictions that continuous boarding would allow for better regulatory compliance,

<sup>19</sup> The Committee found that "the boarding time restriction is a regulatory matter. This restriction was implemented by the Gaming Commission by policy and is not required by statute." Joint Committee on Gaming and Wagering Annual Report, 1998, page 6.

The state and home dock communities were the real winners from a financial perspective. Continuous boarding generated approximately \$20 million in additional admission fees for the state and home dock communities.

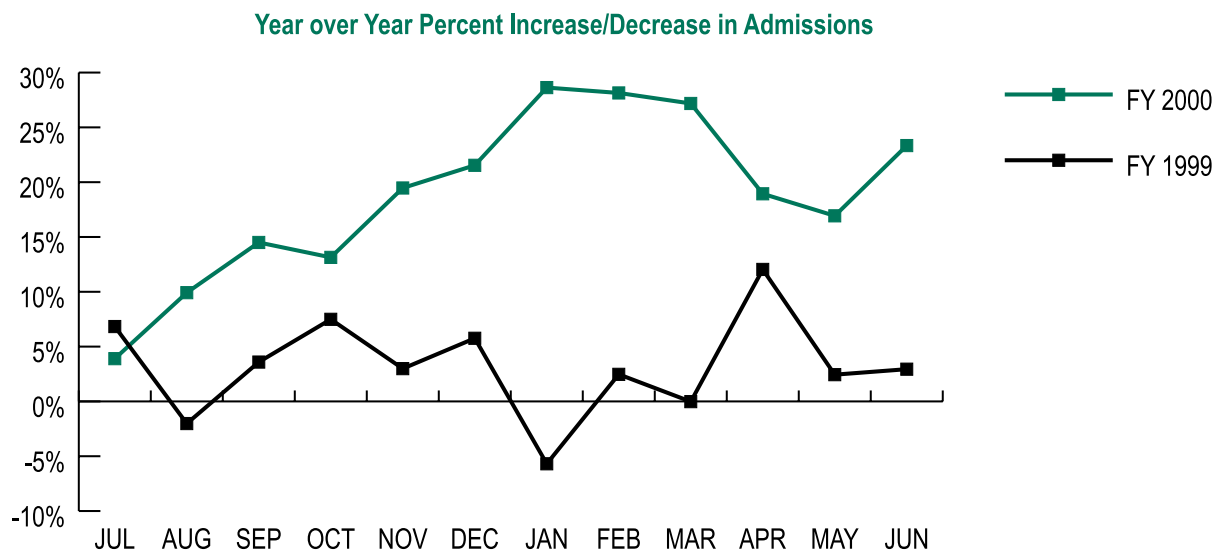
operating efficiency, customer safety and convenience were accurate. New procedures to enforce the loss limit make the boarding restriction unnecessary. The new system provides Commission agents with an effective means to perform undercover sting operations to verify loss limit compliance. These investigations resulted in the imposition of \$660,000 in fines against casino companies and have heightened the awareness of the importance of enforcing the loss limit.<sup>20</sup>

Furthermore, the electronic systems implemented to enforce the loss limit in a continuous boarding environment provide the Commission with excellent data to monitor loss limit compliance. It is important to note that the data indicates that less than 1% of casino patrons ever buy in for the full \$500 during a gambling excursion. Therefore, while much attention is focused on the loss limit, it is clearly a law that few people even attempt to violate.

Casino customers offer the best evidence of the success of continuous boarding. The rule change has nearly eliminated complaints about boarding procedures.<sup>21</sup> While the Commission occasionally receives a complaint about the requirement to produce photo identification in order to

<sup>20</sup> Some licensees have appealed these fines and the cases are currently pending before a hearing officer. In addition to the fines, the Commission has suspended a number of occupational licenses for failing to properly enforce the loss limit.

<sup>21</sup> Bill Sinclair testified that “There is no logic, of course, from a customer standpoint. Believe me there’s nothing less tourist friendly than someone have to make a phone call to find out if they can get on a facility and then finding out, ‘well you can in an hour and half from now because you couldn’t get there in time.’” Edward Corbet said that “What I want to emphasize is that an hour and twenty minutes is just too long to sit around and wait for things to happen.” Kathy Franke stated that she feels “like I’m being put in a corral of cattle” waiting to get into the casino. Finally, Marly Yance testified that she wanted to “change the outdated, unnecessary and inconvenient boarding restrictions. We’re not children and we shouldn’t be treated that way.” From Missouri Gaming Commission transcripts of public hearings on the boarding restriction.



obtain a boarding card, these occurrences are surprisingly rare. The photo identification requirement is necessary to enforce the loss limit and helps protect against minors accessing the casino. It is also an important component of enforcing the Commission's voluntary exclusion program for problem gamblers.

The continuous boarding procedure has helped make important improvements in licensee's ability to comply with regulatory requirements regarding the restriction of minors, intoxicated patrons and problem gamblers. Because the patron flow is more consistent, casino employees are given more time to do their jobs properly rather than facing the "herding" environment experienced under restricted boarding.

The state and home dock communities were the real winners from a financial perspective. Continuous boarding generated approximately \$20 million in additional admission fees for the state and home dock communities. The state portion of the admission fee is used to pay for the cost of regulation, early childhood education programs, the Missouri National Guard, programs for war veterans, college student loans, the homeless and to deter gang violence.



The increase in admissions is attributed to the significant jump in the the average number of admissions each visitor generates. The reason for the increase is explained by simple math. Prior to continuous boarding, visitors were required to enter the casino near the beginning of a two-hour cruise. Since the average patron visit is approximately 3.5 hours, few patrons would register more than two admission fees.

Under the continuous boarding environment, visitors can enter the casino at anytime during a two-hour cruise. Therefore, assuming patrons enter the casino, on average, exactly half way into a gaming session, they will register their first, and subsequent stay-over admission sooner, naturally resulting in more admissions.<sup>22</sup> Visitors can now be on the casino for only a few minutes and register two admissions, if they enter a few minutes before a gaming session begins.

<sup>22</sup> For example, under restricted boarding where gaming sessions begin at 12:00, 2:00 and 4:00, patrons wishing to attend the 12:00 session would have to enter by 12:45. Because restricted boarding forces patrons who arrived after the last boarding time to queue at the entry, most patrons enter during the first 15 minutes of a session. If a patron who entered at 12:15 stayed 3.5 hours, he would exit at 3:45, requiring the casino to pay two \$2 admission fees. However, if the same patron enters the casino at 1:50 under a continuous boarding environment and stays for 3.5 hours, he would leave at 4:20, requiring the casino to pay three \$2 admission fees.

# Problem Gambling

Missouri has taken a broad based approach to attacking problem gambling, believing that the solution is much like an old family recipe – leave out one ingredient and the dish doesn’t work. The Missouri effort places an equal premium on awareness, education, prevention, treatment and enforcement. The objectives are as follows:

- **Awareness:** Make the public aware that gambling is a product that has risks and that if used inappropriately it can have devastating consequences.
- **Education:** Educate the public about the risks of problem gambling and how to identify warning signs exhibited by their family, friends or co-workers. Educate the public about how to deal with a problem gambler and the treatment and prevention services that are available. Establish and maintain a properly educated network of professional counselors, volunteers and clergy to help treat and counsel those who suffer from problem gambling.
- **Prevention:** Establish prevention curriculum for gaming industry workers, young people, the elderly and others who are at risk of becoming a problem gambler. Create a network of speakers to give prevention presentations to community organizations. Establish a toll free hotline to catch problem gambling early. Promote research to develop a better understanding of the condition and how it might be prevented.
- **Treatment:** Provide resources for counselor training and free or subsidized treatment for problem gamblers. Maintain a well-educated counseling force. Create a method for problem gamblers to isolate themselves from the temptations of gambling such as Missouri’s voluntary exclusion program.
- **Enforcement:** Do not allow gamblers to escape the consequences of their destructive behavior. If their gambling creates a legal problem make them pay a price while supporting their recovery efforts with treatment. Teach people not to “bail out” compulsive gamblers by covering bad checks or loaning money.

The success of this five-prong approach can be greatly enhanced through the use of an alliance of public, private and non-profit organizations that are interested in helping build awareness about the risks and consequences of problem gambling and developing treatment solutions for problem gamblers.<sup>23</sup>

<sup>40</sup> The program is formally called the List of Disassociated Persons. The provisions of the program can be found at 11 CSR 45-17 et. seq.

<sup>23</sup> Alliance chairman, Kevin Mullally and member Keith Spare will be presenters at the National Council on Problem Gambling Annual Meeting on October 6, 2000. The program is entitled “Building an Alliance of Organizations to Create and Promote Resources to Help Problem Gamblers.” For a copy of the materials for the program, please contact the Gaming Commission.

## Using an Alliance as a Tool to Build Awareness

Missouri's public awareness program has met with growing success because of the efforts of the Missouri Alliance to Curb Problem Gambling (the "Alliance"). The Alliance was formed in December 1997 with the intention of bringing together diverse groups who have the common interest of working on issues relating to problem gambling.

The Alliance consists of both governing members and participating members.<sup>24</sup> The governing members, who share the responsibility of administering the Alliance programs, include: the Missouri Council on Problem Gambling Concerns, Inc., a non-profit advocacy group for problem gamblers; the Missouri Department of Mental Health; the Missouri Gaming Commission; the Missouri Lottery; and the Missouri Riverboat Gaming Association, a private trade organization that represents riverboat casino operators.

Participating members are non-voting members who want to participate in Alliance activities. Participating members can include local government entities that host licensed gambling activities, private social service organizations, mental health advocates, counselors and counseling agencies, education institutions, consumer credit counseling agencies and chambers of commerce.



The goal of the Alliance is best represented by its mission statement, which reads as follows:

*The Missouri Alliance to Curb Problem Gambling was formed to heighten public awareness of the dangers of problem gambling and to promote the availability of treatment for those who suffer from a gambling problem. The Alliance will promote responsible gambling and work to educate the public about the dangers of problem gambling. Furthermore, the Alliance will organize and promote problem gambling prevention and treatment alternatives for all Missouri citizens. Finally, the Alliance will promote prevention and education programs for Missouri's youth.*

One of the centerpieces of the Alliance awareness program is Responsible Gaming Education Week (RGEW). The first of these annual events was held in August 1999 and featured Keith Whyte, the executive director of the National Council on Problem Gambling.<sup>25</sup> The week was highlighted by seminars in Kansas City and St. Louis that featured noted gambling researchers Dr. Linda Cottler and Dr. Renee Cunningham-Williams of the Washington University School of Medicine. The Alliance conducted its RGEW 2000 on August 7-11, 2000. Events featured Dr. Roger Svendsen, a noted expert in youth gambling from the Minnesota Institute of Health, and Dr. Carl Braunlich, from Purdue University.

<sup>24</sup> Current participating members include Life Crisis Services, Dr. Linda Cottler, Dr. Renee Cunningham-Williams and Dr. Lia Nower. For more information on becoming a participating member, please contact Melissa Stephens at 573-522-1373.

<sup>25</sup> Keith Whyte, the Executive Director of the National Council on Problem Gambling has stated that the Missouri program is a model that all jurisdictions should emulate. In addition, during a discussion panel on voluntary exclusion programs at the National Council on Problem Gambling's 1999 annual meeting, Prof. Carl Braunlich of Purdue University, stated that the Missouri program is the most comprehensive, well thought out program he has reviewed.



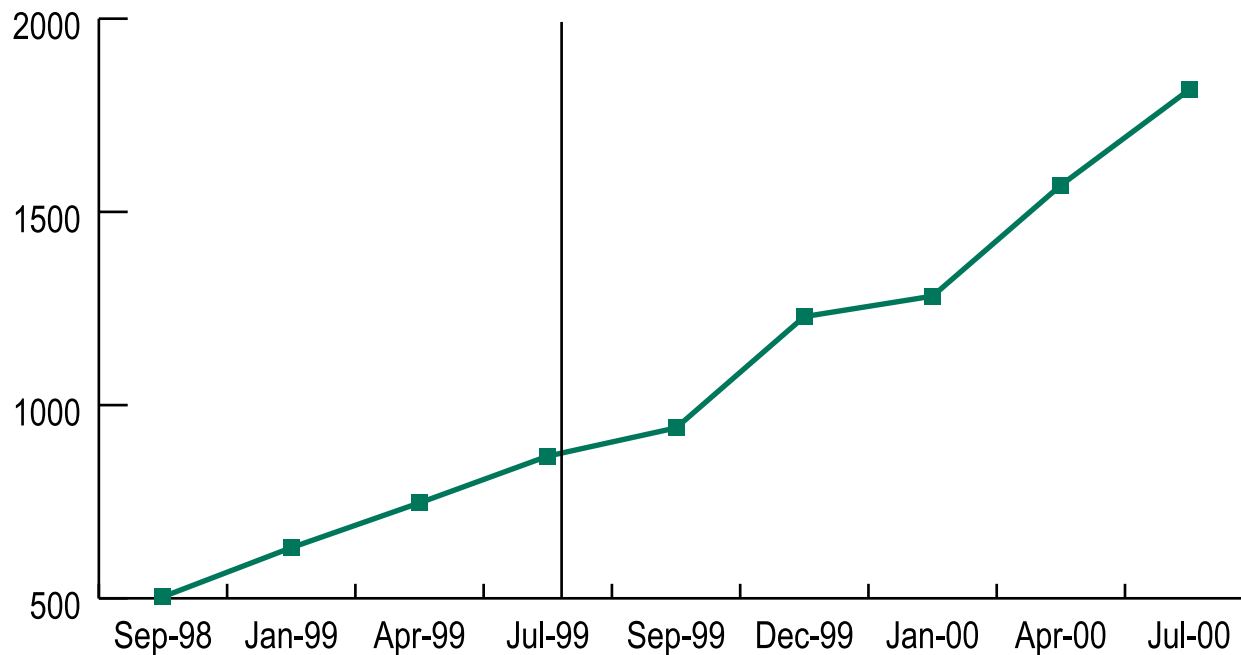
In addition to public seminars, RGEW features training sessions for gaming employees, proclamations from the Governor and municipalities that host gaming, an intensive advertising campaign to heighten public awareness about problem gambling, and the distribution of an educational video about warning signs for problem gambling and services for problem gamblers.<sup>26</sup>

RGEW is an excellent tool for increasing public awareness about problem gambling and the availability of programs for problem gamblers. As you can see from the chart below, the number of persons entering the voluntary exclusion program jumped dramatically following RGEW 1999.

## Voluntarily Excluded Problem Gamblers

Aggregate Number by Quarter

Vertical Line Marks Responsible Gaming Education Week 1999



<sup>26</sup> If your organization would like a copy of this video, please contact the Gaming Commission at 573-526-4080 or write to 3417 Knipp Drive, Jefferson City, MO 65109 and ask for the Responsible Gaming Education Week video.

## Missouri's Voluntary Exclusion Program

The Missouri Gaming Commission administers a voluntary exclusion program for problem gamblers. This unique program, created in 1996, provides problem gamblers with a method to acknowledge that they have a gambling problem and take personal responsibility for it by agreeing to stop visiting riverboat casinos for the rest of their life. The program was designed in response to a request from a citizen to be banned from the casinos because he found himself unable to control his gambling. The Commission first proposed a program whereby it would require all the casinos to ban individuals who identified themselves as problem gamblers.

This proposal spawned a spirited reaction from mental health treatment professionals from around the country.<sup>27</sup> The treatment professionals commented that, while they understood the Commission's good intentions, the rule as proposed did more harm than good. Their comments suggested that the only way for a problem gambler to achieve long-term recovery is for them to acknowledge that they have a problem and to take personal responsibility for it. The counselors contended that the Commission, by suggesting that it could require gaming operators to keep the problem gamblers out of the casino, was allowing the problem gambler to pass their problem on to someone else. Such a belief relieves the problem gambler from taking personal responsibility for their condition.

<sup>27</sup> For a copy of the comments, please contact the Gaming Commission.



The treatment professionals advised the Commission that such a course of action is doomed to fail because the condition is not being treated. Furthermore, they felt that the Commission was creating false hope in suggesting that it could prevent the problem gambler from entering the casinos. The determined gambler will always find a way to circumvent the system. The theory is backed up by a Harvard University study commissioned by the National Gambling Impact Study Commission (NGISC) found that about 1.6% of the population will suffer from pathological gambling. To try to identify and prevent entry of this small percentage of casino patrons is a task that is fraught with difficulty and destined for failure.

Based on the comments from the treatment professionals, the Commission revised the rule and initiated the program consistent with their advice. The program now provides the problem gambler with a mechanism to step forward, acknowledge that they have a problem and agree to take personal responsibility for it. Under the provisions of the program, the problem gambler agrees to accept the responsibility of staying out of the casinos. They agree that it is not the responsibility of the casinos or the Commission to prevent them from entering the casino. They agree that if they are discovered, they will be arrested for trespassing.

Since the problem gamblers are agreeing not to enter a casino in Missouri for the remainder of their lives, it only seems fair to block efforts by the gaming companies to lure them into the casinos. The program provides this protection. The Commission requires all licensees to remove persons in the program from their direct marketing lists, thus blocking enticements such as match play coupons, free dinners or free hotel visits. The Commission also directs the casinos to deny people in the program check cashing privileges and participation in player's clubs. Finally, the Commission requires all licensees to consult the list of people in the program before paying out any jackpot of \$1200 or more.<sup>28</sup>

Once a person is placed on the Disassociated Persons List they can never get off. There is no procedure for removal. The reason for this policy is that those who treat problem gamblers are nearly unanimous in their belief that it is a lifetime condition and that a person is never cured but continuously recovering.

The voluntary exclusion program is not for everyone. It is not a panacea or a quick fix for problem gamblers. The vast majority of people who suffer from problem gambling will need counseling or group therapy such as Gamblers Anonymous.<sup>29</sup>

However, the voluntary exclusion program can be an important part of an overall recovery program. Many people find that blocking the direct marketing efforts of the casino and the consequence of being arrested for trespassing if they are discovered in a casino are helpful components of the recovery process. More important than serving as a deterrent to gambling, the arrest provides the Commission with an opportune time to encourage the gambler to get into treatment. Following each arrest, the Commission sends the gambler a letter reminding them of the available treatment options and encouraging them to get help.

**The voluntary exclusion program is not for everyone. It is not a panacea or a quick fix for problem gamblers. The vast majority of people who suffer from problem gambling will need counseling or group therapy such as Gamblers Anonymous.**

<sup>28</sup> Internal Revenue Service form W2-G is required for any jackpot of \$1200 or more. Since this form requires the patron's social security number, the Disassociated Persons List can be referenced efficiently.

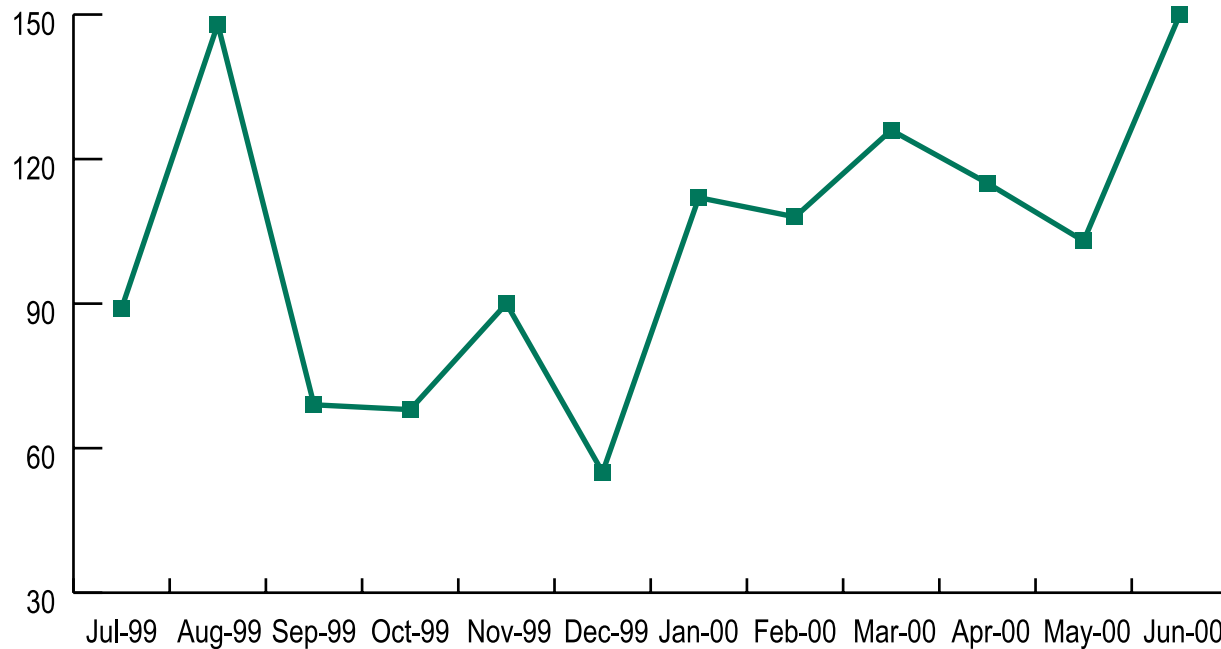
<sup>29</sup> Gamblers Anonymous is a nonprofit volunteer organization that helps problem gamblers recover. To obtain more information about GA meetings in your area call 1-888-BETS OFF or go to their web site at <http://www.gamblersanonymous.org/>

### Counselor Training and Free Treatment

The Missouri Department of Mental Health administers a problem gambling counselor training and certification program. Because of these training efforts, Missouri currently has nearly 100 counselors that have been certified to treat problem gamblers. Certified counselors must be credentialed professionals that have completed a 60-hour training program on problem gambling. The program also requires that counselors complete 14 hours of continuing education every two years in order to maintain certification.

In addition, Missouri provides free treatment to any Missouri resident that requests it. The Department of Mental Health administers this program that uses a network of private mental health providers. The program is currently paid for by contributions from communities hosting gambling activities. Last year, the General Assembly adopted SB 902 that allocates up to 1 cent of the \$1 admission fee paid to the state for problem gambling services. The legislation expands the services that can be provided to include education and outreach.

### Calls to 1-888-BETSOFF Hotline



### **1-888-BETSOFF Telephone Hot Line and Web Site**

No state problem gambling program can be effective without a well operated 24-hour telephone hot line that can assist problem gamblers and direct them to treatment services. Life Crisis Services of St. Louis, a professional counseling and referral agency with over 30 years of experience in crisis intervention, operates Missouri's hotline.

The Alliance is currently designing a certification program for the hot line that will provide independent verification that Life Crisis is delivering the appropriate level of service.

During calendar year 1999, a total of 5,434 calls were received by the hot line, but only 1,034 were callers seeking assistance or information about problem gambling. More than 80% of the calls were hang-ups, pranks, or callers seeking information about gambling.

As depicted in the chart on page 26, the outreach and awareness activities conducted during Responsible Gaming Education Week have a significant impact on the number of callers to the hotline. For the past two years, call volume has increased substantially during RGEW.

The Alliance also sponsors an Internet website, <http://www.888betsoff.com>, that provides information about services for problem gamblers, education and awareness material and research about problem gambling issues.<sup>30</sup>

<sup>30</sup> Another excellent source for a broad array of research topics is the online journal The Wager. It can be found on the Internet at <http://www.thewager.org>.



# Charity Gaming - Bingo

The Bingo Division processed and issued a total of 1,315 licenses during 2000. This total includes 608 licenses for not-for-profit organizations to conduct weekly bingo and pull-tab games. This total also includes 386 special event licenses and 135 abbreviated pull-tab licenses. An abbreviated Pull Tab license allows qualifying charities to conduct an event in which they raise money by selling pull-tabs. Charities may obtain up to four (4) one-day pull-tab licenses per calendar year. Charities may also obtain a special event license to conduct bingo and pull-tabs for a period of one (1) to seven (7) days. The total number of bingo licenses issued during 2000 reflected a slight reduction from 1999. The tax receipts reflected a slight decrease from \$4.4 million in 1999 to \$ 4.3 million in 2000. The chart below depicts the gradual decline in the number of licenses since 1998.

Type of License	FY 98	FY 99	FY 00
Regular Bingo	684	659	608
Special Bingo	404	370	386
Abbreviated Pull-Tab	177	146	135
Supplier	4	5	6
Manufacturer	6	6	10
Hall Provider	158	148	170



The Commission believes that rule changes benefiting charities during the past year will help eliminate the decline in charity bingo. Among the more significant rule changes include amendments to the Progressive Game Rule allowing game operators to conduct two progressive games rather than limit them to a single progressive game per event. The rule also allows regular game operators to conduct a progressive game during a special event. The change should allow game operators who choose to use this option to increase attendance during special events.

Game operators have been allowed to use Electronic Bingo Card Monitoring Devices (EBCMD) allowing players to play up to 54 cards via a small hand held device. Many players using these devices will buy additional cards and manually play or daub the additional cards. Many organizations using the EBCMD report that the devices have increased spending per player. In addition, the devices are helpful in attracting new players. Currently the devices are rarely used outside the metropolitan areas. If the devices continue to be successful, experiences in other states indicate that their use will spread throughout the state.

The Commission has recently received requests from game operators to allow the ECBMD to be used without the paper bingo cards. Game operators have stated their cost could be reduced measurably by eliminating the paper. The Commission is currently reviewing this request to see if the devices can adequately store and compile the data necessary for the suppliers of these devices to report and pay the applicable per face bingo tax and to ensure the proper sort and mixture of faces for the players.

Commission staff continues to conduct training seminars throughout the state. During the month of May 1999, staff conducted five seminars to discuss changes to existing rules. Over 300 people attended the seminars.

The Division's Complaint Tracking System has been very successful, helping to respond to over 130 complaints during the past year. This system helps to ensure public confidence in the games by responding to complaints about the conduct of games, possible rule violations and statutory compliance. All complaints are prioritized and investigated based on the severity of the allegation and the availability of staff. Investigative reports that substantiate the allegations or find violations are forwarded to the Commission's Legal Division to determine the appropriate level of proposed discipline. During FY 2000, twelve organizations and four individuals were disciplined for violations.

### **Audit & Enforcement**

The Audit and Enforcement Sections again emphasized charity game operator audits and inspections during fiscal year 2000. The audit staff completed forty-two operator audit inspections and assisted the enforcement staff with an additional twenty-three inspections. The charity game operator inspections were prioritized due to a high volume of complaints from players or members of charities. The comprehensive game inspection procedures have been updated to complete a more thorough audit/inspection and to ensure the operator's compliance with Missouri statutes and rules and regulations. The Audit Section has also completed audits of each of the licensed suppliers and three of the six licensed manufacturers. Charity game inspections are conducted randomly or many times as a direct result of complaints from players or members of charities who report illegal game activity. The audit and inspection procedures are designed to limit game disruption and ensure organizations are keeping records which accurately reflect game receipts and that the operators are using their game profits for charitable purposes.

# St. Louis Area Expansion Process

On August 26, 1998, the Commission initiated the process of publicly reviewing the proposals for new casinos in the St. Louis metropolitan area. The first public presentation was by Lady Luck for its proposal in unincorporated Jefferson County. No one appeared in opposition to Lady Luck's proposal.

Over the next two years, the Commission would hear testimony from every applicant wishing to appear as well as citizens, private organizations and community leaders wishing to express support or opposition for a particular project. Each applicant made several presentations to the Commission and staff. In addition to public meetings, the Commission staff met with anyone requesting a meeting to discuss detailed information about the proposals and to allow everyone ample time to present their views in support or opposition of particular proposals.

The process included an analysis of the St. Louis metropolitan market to determine whether it could support another casino. This analysis revealed that there is an underserved market in the far south region of the St. Louis metro area.

The St. Louis metropolitan area is currently served by five gaming facilities. All five facilities are located in the northern region of the St. Louis area, four of which are compacted into two areas on each end of the I-70 corridor. On the Missouri side, nearly 80% of the gaming capacity is located within one mile of the Blanchette Bridge in the northwest portion of the metro area.



Based on its analysis of the Missouri markets and gaming market studies in other states, the staff found a strong correlation between convenience and the number of casino patron visits per year. While the current facilities attract some patronage from residents in the southern region of the metro area, the percentage of the population they attract is far less than that of those who reside in the northern region. Furthermore, patrons residing in close proximity to the existing casinos are visiting Missouri casinos more than twice as often as their neighbors in south St. Louis County and three times more often than Jefferson County residents.

The southern visitors represent a larger portion of the customer base of the President Casino than either Station Casino St. Charles or Harrah's Maryland Heights. This is due in large part to the President's narrow drawing area along the I-55 corridor, primarily to the south. The President's market is constricted because it is cut off to the west by the more conveniently accessed facilities in Maryland Heights and St. Charles. Furthermore, it has found it difficult to draw from

north St. Louis County because of the ease of access to the Maryland Heights/St. Charles facilities via I-270 and because of the ease of access, customer loyalty and fewer restrictions offered by the Illinois casinos in Alton and East St. Louis.

The President's primary drawing area is to the south along I-55. Even here, its ability to draw frequent visitors is limited to a 13-mile stretch directly along I-55 to the south. For a variety of reasons, the President's drawing power falls off quickly beyond 13 miles south.<sup>31</sup> Therefore, any new casino development located in the heart of the President's primary market would almost certainly put the struggling but still profitable President out of business.

### **Selection of Isle of Capri – Jefferson County as Priority for Investigation**

On July 26, 2000 the Commission concluded its review of the St. Louis area applicants by selecting the Isle of Capri – Jefferson County as a priority for investigation. The reason for the recommendation in the simplest terms is that this project provides the State of Missouri with the most net economic benefit. Furthermore, the project has had the consistent support of the Jefferson County government and the opposition to the project was not nearly as evident as those objecting to the two St. Louis County proposals.

The media has recently directed its focus on the objections of the business owners and residents of Kimmswick. However, transcripts of Gaming Commission meetings clearly show that Kimmswick's 135 residents and its representatives, when compared to the opponents of the two St. Louis County casino proposals, were noticeably absent from the debate.

Opponents of the St. Louis County locations were present at nearly every Commission meeting for over a year. As presentation time during Commission meetings is sometimes limited because of busy agendas, the St. Louis County casino site opponents regularly requested meetings with staff to allow their members more time to express the particulars of their concerns.

The Lemay site in particular is characterized with an active group of residents near the proposed casino site that are adamant in their belief that the casino will destroy the current environment in their neighborhood and have significant negative impact on their quality of life. Included in this group is a large contingent of nuns residing on the School Sisters of Notre Dame campus.

Sr. Ruth Speh provided the Commission with a moving summary of the resident's plea. She noted that there are 16 schools, churches and day care centers within a one-mile radius of the proposed

<sup>31</sup> As a downtown casino, the President faces a number of challenges not posed to suburban casinos. It must deal with a built infrastructure that limits parking options and traffic patterns. Perhaps more importantly, it suffers from being in an area with low residential population. While it benefits from tourist and convention traffic, it does not have the luxury of a large local residential population. However, the Commission believes it is important for the downtown metropolitan tourism, convention and business districts to have a casino. It provides necessary jobs for city residents and is an important part of the convention and visitors trade.

Lemay casino. The casino is less than five hundred yards from the School Sister's motherhouse. Sr. Ruth explained that this is a special place for the nuns:

*"This is a house of prayer and ministry. This is where we were trained, and where we were sent out to work. To teach, to work with the elderly, the poor, the sick. This is where we return after fifty or sixty years of service, to wait out our last years in prayer and quiet meditation. This is where we will be buried."*<sup>32</sup>

<sup>32</sup> Missouri Gaming Commission transcript, June 28, 2000, page 14.

Unlike the opponents of the Jefferson County site who appeared at only one meeting, the School Sisters appeared at nearly every Commission meeting for more than a year. Their public testimony included an impassioned plea from Sister Genevieve Cassani, who noted that more than 600 religious women, more than four times the population of Kimmswick, call the motherhouse, located a short distance from the proposed Lemay casino, their home. She stated that a short distance from the proposed casino entrance, the School Sisters operate an all girls' high school, a preschool, a tutorial center, a head start program, a conference and a retreat center.

In contrast, the Isle of Capri – Jefferson County project is not in Kimmswick, and the patron traffic going to and from the casino will not travel through Kimmswick. Traffic has been designed to travel along a new, four-lane road located in Jefferson County and circumventing Kimmswick. Isle of Capri is under a commitment to pay for the road. Ample evidence exists in St. Charles and Alton, Illinois that historic business districts can co-exist with riverboat casino projects.<sup>33</sup> Both of these historic districts continue to thrive despite the close proximity of a casino.

In addition to the School Sisters of Notre Dame, who opposed both locations in South St. Louis County, but focused particularly on the Lemay site, the Commission received a large volume of testimony and written opposition to the St. Louis County sites from the Rally Against Gambling Expansion (RAGE).

It must be noted that the Lemay proposal also enjoys enthusiastic support from a large number of public officials, including the County Executive and the President of the County Council, as well as many residents and community groups. However, the support must be considered along with the opposition and it can be safely said that Lemay is clearly divided on this issue.

While the Isle of Capri proposal for the site near the Jefferson Barracks Bridge faced opposition similar to that of the Lemay site, it also faced a different form of opposition. This

<sup>33</sup> Since the St. Charles casino has opened the Commission has received only one complaint from store owners in the historic St. Charles business district. The area continues to thrive. Similarly, Alton business have welcomed its riverboat casino. Letters in support of the casino were submitted to the Illinois Gaming Control Board by the Alton Marketplace Association, Pride Incorporated (a local, non-profit organization dedicated to community beautification), the River Bend Growth Association, Baxter's (a family owned retail business in Alton) as well as a number of other business and community organizations.



proposal faces a myriad of potential legal problems arising out of its lack of support from the St. Louis County government. St. Louis County has entered into an exclusive lease agreement with Ameristar for the Lemay site. Under the terms of that agreement, St. Louis County is prohibited from endorsing another site. Furthermore, Isle does not have the appropriate zoning for the site and St. Louis County would have to approve an amendment to the zoning ordinance for the project to move forward. To further complicate the problem, SB 902, passed in the last legislative session, requires that an applicant comply with all local zoning ordinances prior to licensure.

### **Net Economic Benefit**

Because of the negative impact the two St. Louis County proposals would have on the President Casino in St. Louis, the Commission determined that the Jefferson County site provides the State of Missouri with the most new public revenue at \$16.9 million. This is only slightly more than the \$16.4 million estimated for the Lemay project.

However, because the Lemay project would result in the eventual closure of the President, one must consider the impact on total casino payrolls. In this regard, the Jefferson County project stands alone as the clear leader. It will provide jobs that will generate new payroll income of \$24.3 million with no loss of jobs to other casinos.

This is in contrast to the Lemay proposal, which, because of the loss of jobs on the President, will generate new payroll income of only \$9.4 million. These jobs lost because of a President closure would not be replaced by the new casino since it would already be operational and at full employment when the President goes out of business.

The staff also gave consideration to the fact that Jefferson County is the second fastest growing county in the state. This is important for two reasons. First, it is an indication that the casino will be placed in an excellent location to take advantage of future growth. Secondly, the local revenue generated by the casino will help the county address pressing public infrastructure needs. The county is sorely in need of a funding for its newly created sewer district as over 50% of the septic systems in Jefferson County are failing.

The Commission's charge is to select that applicant that best serves the interests of the citizens of Missouri.<sup>34</sup> The Jefferson County project produces the most new revenue for the state and prevents Illinois from gaining an even greater competitive advantage over Missouri. Illinois



<sup>34</sup> Section 313.805(1), RSMo.

residents account for only 24% of the total population of the St. Louis metro area, yet Illinois casinos capture 39% of the gaming market in the St. Louis metro area. By choosing the Jefferson County site, Missouri recaptures gaming market share currently being lost to Illinois without surrendering a significant portion of the President's market share to Illinois.

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## Fiscal Year 2000 Report Appendices

# Missouri Gaming Commission Fund Balance Report

## Fiscal Year 2000

### Beginning Balance

\$7,132,313.51

Revenue	
License Fees	
Gaming License Application Fee	\$515,000.00
Level 1 Occupational License Application Fee	20,000.00
Level 2 Occupational License Application Fee	458,675.00
Supplier Level 2 Occupational Lic Application Fee	3,675.00
Supplier Level 2 Annual Occupational License Renewal	6,704.11
Gaming License Renewal Fees	400,000.00
Level 1 Occupational License Renewal Fee	9,388.63
Level 2 Occupational License Renewal Fee	629,079.00
Supplier License Application Fee	10,150.00
Supplier Annual License Renewal Fee	138,027.40
Repalcement Gaming License	4,935.00
Liquor License	8,000.00
<b>Total License Fees</b>	<b>\$2,203,634.14</b>
Reimbursements	
MGC Reimbursement - Company Background	\$158,994.58
MGC Reimbursement - Level 1 Background	25,151.74
MGC Reimbursement - Supplier Background	138,735.29
MGC Reimbursement - Enforcement	5,870,183.67
MGC Reimbursement - Device Testing	318,614.55
MGC Reimbursement - Other	2.00
<b>Total Reimbursements</b>	<b>\$6,511,681.83</b>
Other Income	
Admission Fees	\$49,206,859.77
Gaming Commission Administrative Income	2,174.35
Witness Fees	49.75
Surplus Property Sales	200.96
Time Deposits Interest	99,022.99
US/Agency Securities Interest	801,863.99
Employee Personal Expense Reimbursement	3,065.94
Cancelled Checks	555.66
<b>Total Other Income</b>	<b>\$50,113,793.41</b>
<b>Total All Revenue</b>	<b>\$58,829,109.38</b>

Gaming Commission Expenses	
Salaries	\$7,533,710.17
Fringe Benefits	2,966,270.05
Travel, In-State	91,173.77
Travel, Out-Of-State	123,386.06
Fuel & Utilities	16,215.66
Administrative Supplies	118,777.15
Merchandising Supplies	28.42
Repair, Maint, & Usage Supp	584.02
Residential Supplies	82.15
Specific Use Supplies	17,686.04
Professional Development	150,055.05
Communication Serv & Supp	166,329.81
Business Services	162,007.56
Professional Services	308,518.69
Housekeep & Janitor Serv	22,435.98
Equipment M&R Services	37,928.04
Transportation M&R Services	8.00
Computer Equipment	275,078.59
Electronic & Photo Equip	23,054.41
Office Equipment	129,350.58
Specific Use Equipment	3,047.02
Property Improvements	53,049.56
Building Lease Payments	295,270.85
Building & Equip Rentals	4,305.40
Miscellaneous Expenses	19,427.81
<b>Total MGC Expenses</b>	<b>\$12,517,780.84</b>

Other Expense & Transfers	
State Auditor Salaries	\$33,215.58
State Auditor Expense & Equipment	7,699.33
Attorney General Salaries	90,701.00
Attorney General Expense & Equipment	14,345.72
MSHP Vehicle Replacement	496,210.00
MSHP Vehicle Maintenance	66,309.11
MSHP Gasoline	148,060.00
MSHP Automotive Tech Overtime	88,108.00
MSHP Administration	2,224.35
Refunds	154,171.91
Juvenile Court Diversion	485,733.79
Missouri College Guarantee Fund Transfer FY 1999	1,500,000.00
Early Childhood Development Fund Transfer FY 1999	4,737,763.51
Veterans Commission CI Trust Fund FY 2000	3,000,000.00
Missouri National Guard Trust Fund FY 2000	3,000,000.00
Missouri College Guarantee Fund Transfer FY 2000	3,000,000.00
Early Childhood Development Fund Transfer FY 2000	29,680,129.92
Article X (Hancock) Transfer	771,749.00
Other Transfers	6,746.00
<b>Total Other Expenses &amp; Transfers</b>	<b>\$47,283,167.22</b>

**Total All Expenses & Transfers** **\$59,800,948.06**

**Fund Balance** **\$6,160,474.83**

## Fiscal Year 1999 Project Summary

MISSOURI GAMING COMMISSION

GAMING PROJECT SUMMARY

FOR THE FISCAL YEAR ENDING: JUNE 30, 2000

LICENSEE	LICENSE DATE	FY 2000 ADMISSIONS	ADMISSION FEES	FY 2000 ADJUSTED GROSS RECEIPTS	GAMING TAX	GAMING TAX LOCAL PORTION	GAMING TAX STATE PORTION	ESTIMATED CAPITAL INVESTMENT**	EMPLOYEES	TABLE GAMES	SLOTS	GAMING SPACE (SQ. FT)
PRESIDENT RIVERBOAT CASINO MISSOURI, INC.	27-May-94	3,878,234	7,756,468	60,417,285	12,083,457	1,208,346	10,875,111	65,200,000	783	48	1,222	58,000
ST. CHARLES RIVERFRONT STATION, INC.	27-May-94 28-Dec-94	5,442,377	10,884,754	113,089,397	22,617,879	2,261,788	20,356,091	184,300,000	1,073	50	1,841	46,000
MISSOURI GAMING COMPANY	22-Jun-94	4,164,937	8,329,874	93,875,436	18,775,087	1,877,509	16,897,578	90,200,000	865	40	1,092	30,000
ST. JOSEPH RIVERBOAT PARTNERS	24-Jun-94	1,055,033	2,110,066	21,473,063	4,294,613	429,461	3,865,151	23,400,000	322	18	470	18,000
HARRAHS NORTH KANSAS CITY CORP	22-Sep-94 15-May-96	7,157,650	14,315,300	175,393,292	35,078,658	3,507,866	31,570,793	166,400,000	1,822	61	2,227	61,600
AZTAR MISSOURI CORP	27-Apr-95	824,247	1,648,494	23,974,603	4,794,921	479,492	4,315,429	54,700,000	431	24	657	10,400
HILTON KANSAS CITY CORP	18-Oct-96	4,459,728	8,919,456	76,153,607	15,230,721	1,523,072	13,707,649	99,700,000	826	45	1,015	30,000
KANSAS CITY STATION CORP	16-Jan-97	8,823,221	17,646,442	175,452,673	35,090,535	3,509,053	31,581,481	307,800,000	2,033	160	3,288	140,000
PLAYERS MARYLAND HEIGHTS CORP	11-Mar-97	4,233,510	8,467,020	74,101,323	14,820,265	1,482,026	13,338,238	N/A	N/A	N/A	N/A	N/A
HARRAHS MARYLAND HEIGHTS CORP	11-Mar-97	8,381,334	16,762,668	163,330,389	32,666,078	3,266,608	29,399,470	274,000,000	2,184	82	3,240	104,000
<b>GRAND TOTALS:</b>		<b>48,420,271</b>	<b>96,840,542</b>	<b>977,261,068</b>	<b>195,452,214</b>	<b>19,545,221</b>	<b>175,906,992</b>	<b>1,265,700,000</b>	<b>10,339</b>	<b>528</b>	<b>15,052</b>	<b>498,000</b>

\*\* Formulas used by the Licensees to arrive at total capital investment vary.

The figures published in this report are subject to adjustment.

## ADMISSION FEE SUMMARY

Fiscal Year Ended June 30, 2000

											STATE
MONTH	ARGOSY	AZTAR	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS (b)	PRESIDENT	ST. CHARLES	ST. JO	TOTAL
Jul-99	607,898	122,092	1,222,936	1,045,278	637,314	1,439,186	850,786	537,688	838,178	145,186	7,446,542
Aug-99	589,564	135,998	1,117,522	1,126,886	612,154	1,333,566	976,052	668,484	829,498	132,502	7,522,226
Sep-99	580,792	147,160	1,030,560	1,185,304	545,294	1,271,716	960,596	688,068	863,462	126,908	7,399,860
Oct-99	597,896	144,896	1,052,722	1,206,054	553,048	1,319,804	1,040,552	715,872	1,003,584	137,270	7,771,698
Nov-99	696,956	133,116	1,148,848	1,133,240	697,076	1,414,556	1,004,668	631,996	903,724	176,224	7,940,404
Dec-99	758,166	128,826	1,227,972	1,133,196	790,576	1,462,022	975,286	593,066	879,916	187,000	8,136,026
Jan-00	758,868	125,002	1,222,210	1,104,382	822,906	1,543,640	940,558	627,010	905,512	192,036	8,242,124
Feb-00	754,450	150,486	1,292,488	1,206,126	859,504	1,662,814	992,786	684,906	941,770	209,714	8,755,044
Mar-00	810,290	153,754	1,370,004	1,539,344	943,672	1,710,322	725,736	699,508	945,648	213,020	9,111,298
Apr-00	742,266	140,842	1,215,526	1,990,924	870,632	1,542,512		657,512	929,314	194,566	8,284,094
May-00	714,074	134,832	1,205,942	2,003,542	811,012	1,472,576		645,250	967,128	196,834	8,151,190
Jun-00	718,654	131,490	1,208,570	2,088,392	776,268	1,473,728		607,108	877,020	198,806	8,080,036
<b>TOTAL</b>	<b>8,329,874</b>	<b>1,648,494</b>	<b>14,315,300</b>	<b>16,762,668</b>	<b>8,919,456</b>	<b>17,646,442</b>	<b>8,467,020</b>	<b>7,756,468</b>	<b>10,884,754</b>	<b>2,110,066</b>	<b>96,840,542</b>

Fiscal Year Ended June 30, 1999

											STATE
MONTH	ARGOSY	AZTAR	HARRAHS NKC	HARRAHS MH	HILTON	KC STATION	PLAYERS	PRESIDENT	ST. CHARLES	ST. JO	TOTAL (a)
Jul-98	576,216	128,834	1,131,194	841,218	580,096	1,406,032	846,660	554,474	837,664	189,038	7,091,426
Aug-98	561,184	109,850	1,077,060	802,102	568,086	1,337,090	821,742	573,590	817,634	175,058	6,843,396
Sep-98	540,372	99,046	995,390	727,142	554,188	1,294,472	694,702	528,712	866,862	161,620	6,462,506
Oct-98	588,916	103,090	1,069,872	831,698	581,862	1,326,380	841,222	552,666	811,220	162,344	6,869,270
Nov-98	565,162	98,408	1,018,286	881,454	536,004	1,337,768	787,598	505,710	767,264	148,876	6,646,530
Dec-98	560,520	97,960	1,054,598	883,990	599,392	1,342,296	787,116	480,118	742,446	145,434	6,693,870
Jan-99	561,270	91,156	1,063,800	802,718	625,560	1,285,036	759,026	401,216	678,634	139,208	6,407,624
Feb-99	573,344	108,326	1,095,644	905,654	604,714	1,313,504	779,008	509,252	796,552	146,296	6,832,294
Mar-99	596,878	109,062	1,158,072	935,180	627,022	1,346,854	758,438	577,910	901,364	153,524	7,164,304
Apr-99	589,100	102,576	1,131,226	931,694	664,530	1,279,188	787,834	527,430	802,608	148,894	6,965,080
May-99	583,738	104,926	1,159,088	946,208	621,328	1,282,326	789,216	536,838	799,374	148,042	6,971,084
Jun-99	553,510	96,666	1,077,586	889,892	566,334	1,215,412	780,478	503,422	737,410	130,266	6,550,976
<b>TOTAL</b>	<b>6,850,210</b>	<b>1,249,900</b>	<b>13,031,816</b>	<b>10,378,950</b>	<b>7,129,116</b>	<b>15,766,358</b>	<b>9,433,040</b>	<b>6,251,338</b>	<b>9,559,032</b>	<b>1,848,600</b>	<b>81,576,958</b>

(a) Total admission fees for fiscal year 1999 includes \$78,598.00 for Boyd for July 1998.

(b) Effective March 23, 2000, Harrah's Maryland Heights acquired Players.



# GAMING TAX SUMMARY

Fiscal Year Ended June 30, 2000

											STATE
<u>MONTH</u>	<u>ARGOSY</u>	<u>AZTAR</u>	<u>HARRAHS NKC</u>	<u>HARRAHS MH</u>	<u>HILTON</u>	<u>KC STATION</u>	<u>PLAYERS (b)</u>	<u>PRESIDENT</u>	<u>ST. CHARLES</u>	<u>ST. JO</u>	<u>TOTAL</u>
Jul-99	1,505,650	402,509	3,112,932	2,323,459	1,156,074	3,132,743	1,848,437	923,117	1,940,082	345,398	16,690,401
Aug-99	1,419,550	431,403	2,912,721	2,185,132	1,092,627	2,852,157	1,693,567	1,033,922	1,788,585	296,139	15,705,802
Sep-99	1,421,298	400,609	2,924,310	2,220,347	1,029,626	2,789,719	1,627,620	1,029,245	1,868,363	299,094	15,610,232
Oct-99	1,549,058	411,596	2,816,121	2,270,701	1,099,703	2,976,124	1,744,763	1,055,231	1,964,187	291,889	16,179,374
Nov-99	1,551,338	381,451	2,773,481	2,157,092	1,191,388	2,689,167	1,653,424	975,880	1,788,206	363,998	15,525,425
Dec-99	1,584,224	366,376	2,795,679	2,204,222	1,292,545	2,695,235	1,614,428	954,797	1,781,892	356,058	15,645,457
Jan-00	1,641,371	354,307	2,746,264	2,232,969	1,331,181	3,022,748	1,674,540	1,006,544	1,773,685	380,710	16,164,319
Feb-00	1,649,320	429,572	2,863,228	2,317,482	1,392,696	3,029,333	1,680,137	1,066,605	1,819,387	407,213	16,654,973
Mar-00	1,704,247	445,403	3,179,494	3,036,213	1,495,938	3,281,288	1,283,347	1,124,851	2,053,678	433,034	18,037,494
Apr-00	1,560,313	404,260	3,007,449	3,893,994	1,435,371	2,948,931		1,042,495	1,973,810	409,963	16,676,586
May-00	1,589,216	388,499	2,967,491	3,862,404	1,350,469	2,837,132		982,325	2,016,839	342,064	16,336,437
Jun-00	1,599,503	378,937	2,979,488	4,045,471	1,363,103	2,880,912		897,976	1,860,996	401,717	16,408,102
<b>TOTAL</b>	<b>18,775,087</b>	<b>4,794,921</b>	<b>35,078,658</b>	<b>32,749,485</b>	<b>15,230,721</b>	<b>35,135,488</b>	<b>14,820,265</b>	<b>12,092,988</b>	<b>22,629,711</b>	<b>4,327,277</b>	<b>195,634,602</b>

Fiscal Year Ended June 30, 1999

											STATE
<u>MONTH</u>	<u>ARGOSY</u>	<u>AZTAR</u>	<u>HARRAHS NKC</u>	<u>HARRAHS MH</u>	<u>HILTON</u>	<u>KC STATION</u>	<u>PLAYERS</u>	<u>PRESIDENT</u>	<u>ST. CHARLES</u>	<u>ST. JO</u>	<u>TOTAL (a)</u>
Jul-98	1,234,786	425,690	2,847,223	1,820,080	1,064,751	2,710,953	1,584,507	1,037,307	1,862,117	354,779	14,942,193
Aug-98	1,176,099	360,004	2,680,075	1,711,027	1,113,942	2,652,559	1,673,258	1,034,868	1,969,020	386,608	14,757,460
Sep-98	1,186,843	350,448	2,539,263	1,591,933	1,044,189	2,540,951	1,408,472	990,568	1,836,938	320,914	13,810,519
Oct-98	1,289,105	331,044	2,749,966	1,800,612	1,073,240	2,568,962	1,654,061	1,034,665	1,797,662	337,173	14,636,490
Nov-98	1,280,077	353,349	2,731,766	1,825,655	1,086,721	2,714,545	1,564,331	982,622	1,723,470	330,001	14,592,538
Dec-98	1,225,558	330,377	2,760,407	1,928,300	1,147,589	2,662,411	1,612,805	897,914	1,710,504	326,477	14,602,341
Jan-99	1,166,565	328,263	2,683,319	1,718,277	1,129,404	2,677,031	1,573,069	827,184	1,631,266	322,660	14,057,038
Feb-99	1,277,112	335,092	2,885,965	1,887,877	1,067,078	2,712,757	1,576,151	989,198	1,857,457	339,161	14,927,848
Mar-99	1,420,035	383,149	2,974,063	2,046,084	1,159,247	2,942,675	1,544,225	1,103,918	2,187,593	323,548	16,084,536
Apr-99	1,430,832	386,147	3,080,915	2,058,103	1,185,241	2,873,110	1,678,861	1,042,396	1,991,623	330,521	16,057,750
May-99	1,444,652	366,696	3,053,184	2,208,992	1,128,785	2,820,107	1,767,226	973,013	1,870,494	348,253	15,981,402
Jun-99	1,346,453	355,171	2,827,395	2,050,097	1,039,580	2,658,151	1,683,350	936,968	1,837,834	300,954	15,035,952
<b>TOTAL</b>	<b>15,478,118</b>	<b>4,305,430</b>	<b>33,813,541</b>	<b>22,647,036</b>	<b>13,239,767</b>	<b>32,534,212</b>	<b>19,320,317</b>	<b>11,850,619</b>	<b>22,275,979</b>	<b>4,021,048</b>	<b>179,615,176</b>

(a) Total gaming tax for fiscal year 1999 includes \$129,110.25 for Boyd for July 1998.

(b) Effective March 23, 2000, Harrah's Maryland Heights acquired Players.

# Argosy Riverside Casino

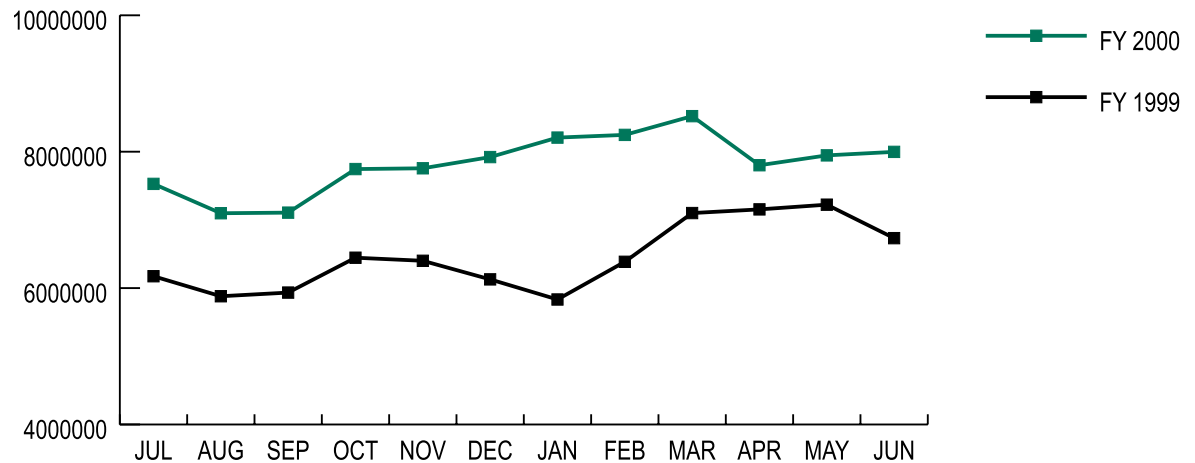
General Manager: Larry Kinser  
777 NW Argosy Parkway  
Riverside, Missouri 64150  
(816) 741-7568

Date Licensed: June 22, 1994  
Gaming Space: 30,000 Square Feet  
Electronic Gaming Devices: 1,092  
Table Games: 40  
Restaurants: 3  
Meeting Space  
Parking Garage  
Employee Wages, Benefits, and Payroll Related Expenses: \$21,049,000  
Real Estate/Personal Property Tax: \$1,143,000  
State Sales Tax: \$373,404.69  
City Lease Payments: \$2,408,000  
Charitable Donations: \$6,500  
Total Employment: 865  
Minority Employment: 392  
Female Employment: 420

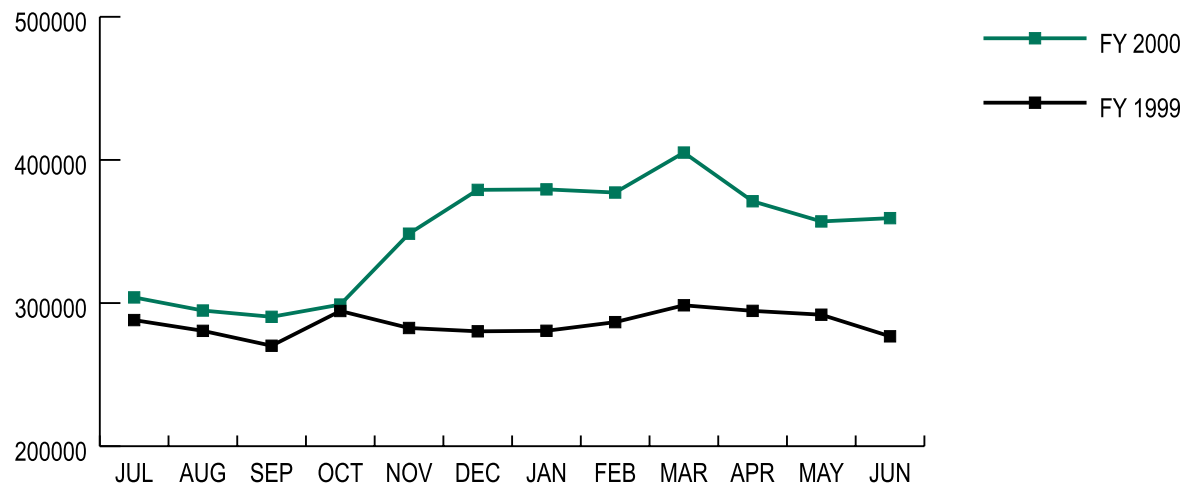
## Market Analysis

Argosy posted gaming revenue of \$93.9 million, a 21% increase over the prior year. The strong gain reflects a 10% increase in both patrons and Win Per Patron (WPP). Patron volume benefited from open boarding, primarily due to a shift from two-boat operators to one-boat operators, as open boarding leveled the playing field. The increase in WPP primarily reflects higher slot play per patron and a higher table hold percentage.

## Monthly Gaming Revenue



## Monthly Patrons



### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$7,528,249	\$1,133,120	25.88%	\$6,395,129	5.20%	152,502	\$49.36	303,949	\$968	\$198
Aug-99	\$7,097,750	\$1,109,046	26.80%	\$5,988,704	4.97%	148,339	\$47.85	294,782	\$948	\$188
Sep-99	\$7,106,491	\$1,014,927	25.11%	\$6,091,563	5.16%	143,250	\$49.61	290,396	\$867	\$190
Oct-99	\$7,745,288	\$1,217,576	28.22%	\$6,527,712	5.19%	149,284	\$51.88	298,948	\$1,041	\$203
Nov-99	\$7,756,688	\$1,107,344	23.15%	\$6,649,344	5.15%	159,921	\$48.50	348,478	\$946	\$206
Dec-99	\$7,921,120	\$1,226,822	24.00%	\$6,694,297	5.09%	164,581	\$48.13	379,083	\$1,049	\$205
Jan-00	\$8,206,855	\$1,153,945	22.69%	\$7,052,910	5.30%	162,816	\$50.41	379,434	\$986	\$218
Feb-00	\$8,246,601	\$1,376,999	27.40%	\$6,869,602	5.16%	165,555	\$49.81	377,225	\$1,177	\$215
Mar-00	\$8,521,235	\$1,253,612	23.40%	\$7,267,624	4.98%	173,737	\$49.05	405,145	\$1,045	\$224
Apr-00	\$7,801,567	\$926,868	20.58%	\$6,874,699	5.14%	160,397	\$48.64	371,133	\$772	\$213
May-00	\$7,946,080	\$1,095,996	24.94%	\$6,850,084	5.34%	157,004	\$50.61	357,037	\$913	\$211
Jun-00	\$7,997,513	\$1,071,675	24.51%	\$6,925,838	5.37%	157,459	\$50.79	359,327	\$893	\$211
TOTALS:	\$93,875,436	\$13,687,930	24.66%	\$80,187,505	5.17%	1,894,845	\$49.54	4,164,937	\$967	\$207

### Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$6,173,932	\$1,055,703	19.83%	\$5,118,229	5.22%	150,569	\$41.00	288,108	\$782	\$158
Aug-98	\$5,880,497	\$993,820	20.39%	\$4,886,677	4.85%	147,042	\$39.99	280,592	\$736	\$150
Sep-98	\$5,934,217	\$1,039,106	22.73%	\$4,895,112	5.00%	140,088	\$42.36	270,186	\$770	\$151
Oct-98	\$6,445,527	\$1,104,745	22.32%	\$5,340,783	5.06%	146,129	\$44.11	294,458	\$818	\$164
Nov-98	\$6,400,385	\$1,109,949	22.21%	\$5,290,436	5.19%	140,344	\$45.60	282,581	\$822	\$163
Dec-98	\$6,127,790	\$896,790	18.56%	\$5,231,001	5.13%	138,607	\$44.21	280,260	\$664	\$168
Jan-99	\$5,832,823	\$941,124	20.67%	\$4,891,698	4.54%	136,760	\$42.65	280,635	\$697	\$167
Feb-99	\$6,385,560	\$1,009,053	22.37%	\$5,376,507	4.94%	141,651	\$45.08	286,672	\$841	\$170
Mar-99	\$7,100,175	\$1,069,253	22.67%	\$6,030,922	5.03%	149,433	\$47.51	298,439	\$891	\$187
Apr-99	\$7,154,161	\$1,018,763	22.54%	\$6,135,398	5.12%	146,745	\$48.75	294,550	\$871	\$191
May-99	\$7,223,261	\$1,034,810	23.39%	\$6,188,451	5.24%	146,584	\$49.28	291,869	\$884	\$193
Jun-99	\$6,732,263	\$950,059	23.25%	\$5,782,204	5.13%	140,317	\$47.98	276,755	\$812	\$181
TOTALS:	\$77,390,591	\$12,223,173	21.69%	\$65,167,418	5.04%	1,724,269	\$44.88	3,425,105	\$799	\$170

# Aztar Casino - Caruthersville

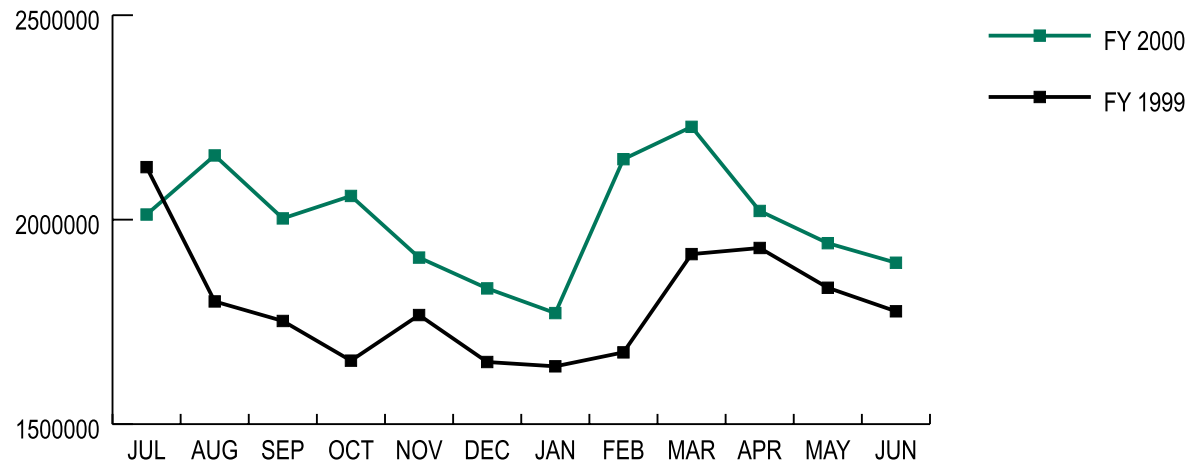
General Manager: George Stadler  
777 E. 3rd Street  
Caruthersville, Missouri 63830  
(314) 333-1000

Date Licensed: April 27, 1995  
Gaming Space: 10,400 Square Feet  
Electronic Gaming Devices: 657  
Table Games: 24  
Restaurants: 3  
RV Park  
Surface Parking  
Employee Wages, Benefits, and Payroll Related Expenses: \$8,225,000  
Real Estate/Personal Property Tax: \$525,000  
State Sales Tax: \$18,000  
City Lease Payments: \$100,000  
Charitable Donations: \$40,400  
Total Employment: 431  
Minority Employment: 135  
Female Employment: 255

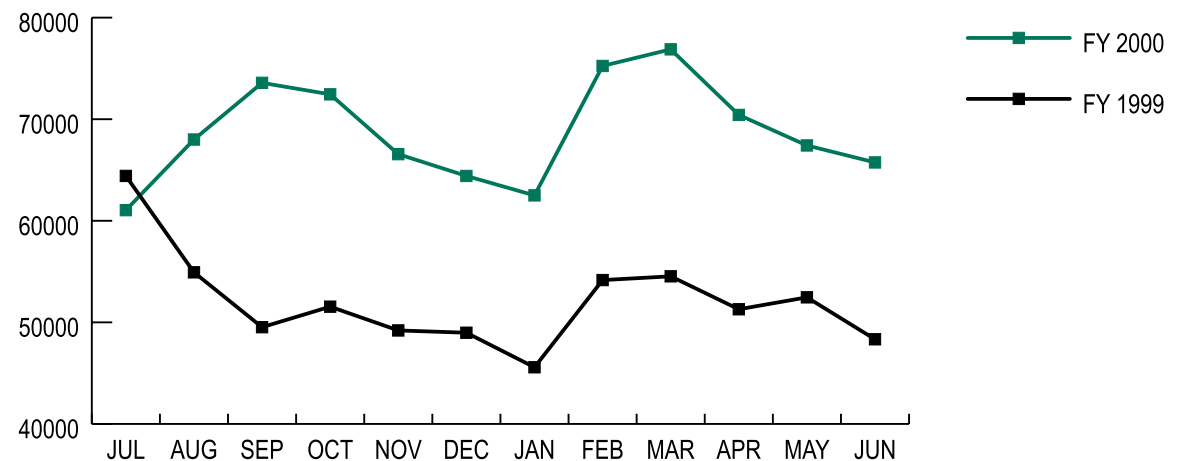
## Market Analysis

Aztar posted improved results as gaming revenue increased 11% to \$24.0 million, compared to a 3% decline in the prior year. The gain reflects an increase patron volume resulting from open boarding. Aztar recorded the highest WPP and slot hold percentage in the state of \$59 and 9.5%, respectively.

### Monthly Gaming Revenue



### Monthly Patrons



### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$2,012,543	\$404,354	23.19%	\$1,608,189	9.24%	34,858	\$57.74	61,046	\$586	\$84
Aug-99	\$2,157,013	\$453,005	25.82%	\$1,704,008	9.87%	36,168	\$59.64	67,999	\$657	\$89
Sep-99	\$2,003,046	\$357,910	22.03%	\$1,645,136	9.54%	36,747	\$54.51	73,580	\$519	\$85
Oct-99	\$2,057,978	\$452,812	27.25%	\$1,605,166	9.30%	35,660	\$57.71	72,448	\$656	\$83
Nov-99	\$1,907,254	\$400,729	24.08%	\$1,506,525	9.48%	32,511	\$58.66	66,558	\$581	\$77
Dec-99	\$1,831,879	\$407,225	23.84%	\$1,424,654	9.51%	31,060	\$58.98	64,413	\$590	\$73
Jan-00	\$1,771,537	\$367,290	22.00%	\$1,404,247	9.31%	29,247	\$60.57	62,501	\$532	\$72
Feb-00	\$2,147,858	\$431,550	23.05%	\$1,716,308	9.71%	35,285	\$60.87	75,243	\$625	\$87
Mar-00	\$2,227,016	\$494,375	26.62%	\$1,732,641	9.69%	36,659	\$60.75	76,877	\$687	\$89
Apr-00	\$2,021,301	\$472,318	26.79%	\$1,548,983	9.25%	33,836	\$59.74	70,421	\$656	\$79
May-00	\$1,942,494	\$375,040	22.54%	\$1,567,454	9.38%	32,746	\$59.32	67,416	\$521	\$80
Jun-00	\$1,894,685	\$377,428	23.59%	\$1,517,257	9.66%	32,330	\$58.60	65,745	\$524	\$77
TOTALS:	\$23,974,603	\$4,994,036	24.26%	\$18,980,567	9.50%	407,107	\$58.89	824,247	\$594	\$81

### Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$2,128,451	\$552,241	29.05%	\$1,576,210	8.57%	38,043	\$55.95	64,417	\$837	\$113
Aug-98	\$1,800,021	\$411,392	26.28%	\$1,388,629	8.69%	32,529	\$55.34	54,925	\$623	\$101
Sep-98	\$1,752,240	\$354,437	26.15%	\$1,397,803	9.98%	29,528	\$59.34	49,523	\$537	\$101
Oct-98	\$1,655,220	\$422,292	26.50%	\$1,232,928	8.44%	29,561	\$55.99	51,545	\$640	\$89
Nov-98	\$1,766,744	\$450,839	28.12%	\$1,315,905	9.20%	27,648	\$63.90	49,204	\$683	\$95
Dec-98	\$1,651,887	\$396,787	22.73%	\$1,255,100	9.52%	27,068	\$61.03	48,980	\$601	\$91
Jan-99	\$1,641,315	\$488,464	29.07%	\$1,152,851	9.31%	25,197	\$65.14	45,578	\$740	\$83
Feb-99	\$1,675,458	\$335,284	19.25%	\$1,340,174	9.05%	29,829	\$56.17	54,163	\$508	\$97
Mar-99	\$1,915,743	\$435,460	23.32%	\$1,480,283	9.73%	30,195	\$63.45	54,531	\$660	\$107
Apr-99	\$1,930,737	\$464,690	27.53%	\$1,466,047	9.72%	29,134	\$66.27	51,288	\$705	\$106
May-99	\$1,833,478	\$394,685	24.91%	\$1,438,793	9.16%	30,630	\$59.86	52,463	\$586	\$106
Jun-99	\$1,775,856	\$411,045	27.59%	\$1,364,811	8.80%	28,417	\$62.49	48,333	\$594	\$72
TOTALS:	\$21,527,149	\$5,117,616	25.83%	\$16,409,533	9.16%	357,779	\$60.17	624,950	\$643	\$97

# Harrah's North Kansas City

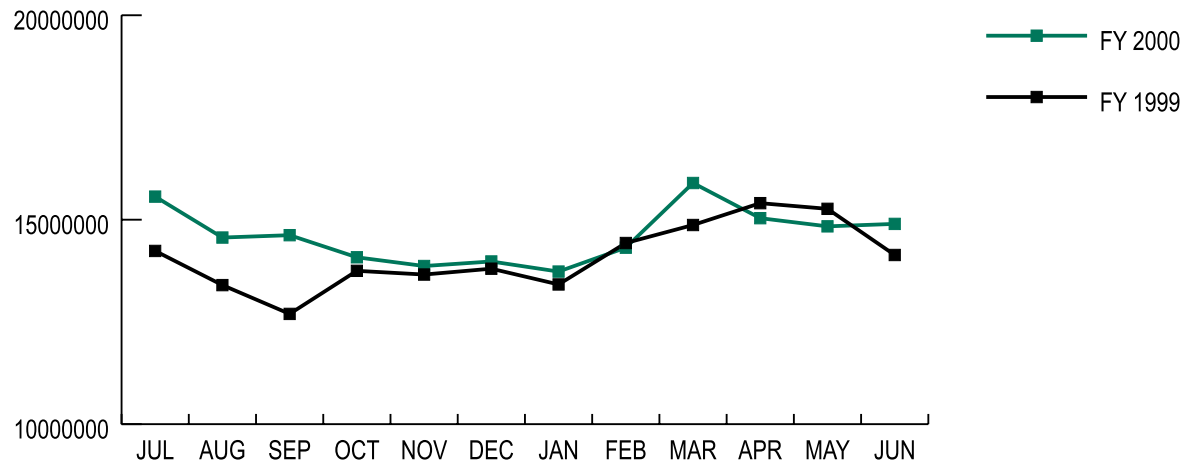
General Manager: Michael St. Pierre  
One Riverboat Drive  
North Kansas City, Missouri 64116  
(816) 472-7777

Date Licensed: September 22, 1994  
Gaming Space: 61,600 Square Feet (two casinos)  
Electronic Gaming Devices: 2,227  
Table Games: 61  
Restaurants: 3  
200 Room Hotel  
Meeting Space  
Surface and Garage Parking  
Employee Wages, Benefits, and Payroll Related Expenses: \$47,398,000  
Real Estate/Personal Property Tax: Clay County \$1,889,000; NKC \$191,000  
State Sales Tax: \$1,515,000  
City Lease Payments: \$2,451,000  
Charitable Donations: \$314,500  
Total Employment: 1,822  
Minority Employment: 501  
Female Employment: 945

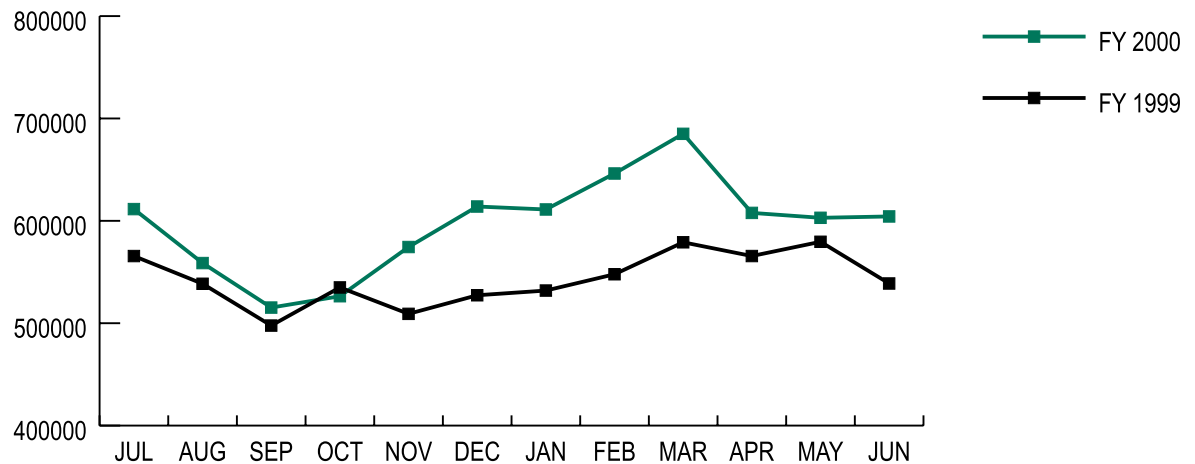
## Market Analysis

Harrah's North Kansas City posted gaming revenue of \$175.4 million, a 4% increase over the prior year. The growth reflects a 5% increase in WPP offset by a 1% decline in patrons. WPP benefited from a higher slot hold percentage. The decline in patron volume primarily reflects open boarding related diversion to the one-boat operators, particularly in the table games sector. Harrah's has announced plans for a \$45 million expansion, which will include a second deck and new entrance to the Mardi Gras.

## Monthly Gaming Revenue



## Monthly Patrons





### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$15,564,662	\$3,010,964	21.18%	\$12,553,698	5.42%	361,224	\$43.09	611,468	\$1,338	\$193
Aug-99	\$14,563,606	\$3,166,567	23.58%	\$11,397,040	5.23%	333,008	\$43.73	558,761	\$1,407	\$175
Sep-99	\$14,621,548	\$3,021,954	23.77%	\$11,599,594	5.80%	307,195	\$47.60	515,280	\$1,380	\$179
Oct-99	\$14,080,606	\$2,861,378	22.59%	\$11,219,228	5.38%	310,346	\$45.37	526,361	\$1,467	\$169
Nov-99	\$13,867,404	\$2,969,041	24.22%	\$10,898,362	5.41%	311,319	\$44.54	574,424	\$1,523	\$162
Dec-99	\$13,978,393	\$2,609,833	20.04%	\$11,368,560	5.81%	312,852	\$44.68	613,986	\$1,338	\$169
Jan-00	\$13,731,318	\$2,619,914	21.38%	\$11,111,404	5.60%	309,352	\$44.39	611,105	\$1,456	\$169
Feb-00	\$14,316,142	\$2,701,164	21.72%	\$11,614,978	5.55%	328,417	\$43.59	646,244	\$1,476	\$177
Mar-00	\$15,897,471	\$2,744,025	20.79%	\$13,153,446	5.91%	349,450	\$45.49	685,002	\$1,499	\$198
Apr-00	\$15,037,244	\$2,780,109	23.42%	\$12,257,135	5.83%	309,288	\$48.62	607,763	\$1,519	\$185
May-00	\$14,837,456	\$2,650,754	22.39%	\$12,186,701	5.79%	307,235	\$48.29	602,971	\$1,448	\$182
Jun-00	\$14,897,442	\$2,354,720	20.17%	\$12,542,722	6.03%	309,797	\$48.09	604,285	\$1,287	\$188
TOTALS:	\$175,393,292	\$33,490,424	22.09%	\$141,902,868	5.64%	3,849,483	\$45.56	7,157,650	\$1,428	\$179

### Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$14,236,114	\$3,147,891	24.83%	\$11,088,223	5.53%	347,437	\$40.97	565,597	\$1,381	\$174
Aug-98	\$13,400,376	\$2,910,839	23.41%	\$10,489,537	5.29%	331,422	\$40.43	538,530	\$1,277	\$162
Sep-98	\$12,696,314	\$2,688,307	23.73%	\$10,008,007	5.34%	301,861	\$42.06	497,695	\$1,195	\$153
Oct-98	\$13,749,830	\$3,108,323	23.75%	\$10,641,507	5.32%	320,197	\$42.94	534,936	\$1,381	\$163
Nov-98	\$13,658,831	\$3,267,979	25.32%	\$10,390,851	5.29%	301,522	\$45.30	509,143	\$1,452	\$159
Dec-98	\$13,802,033	\$3,306,469	24.15%	\$10,495,563	5.37%	311,395	\$44.32	527,299	\$1,489	\$163
Jan-99	\$13,416,597	\$3,120,713	23.82%	\$10,295,883	5.11%	310,316	\$43.24	531,900	\$1,342	\$156
Feb-99	\$14,429,826	\$3,283,142	25.73%	\$11,146,684	5.42%	324,642	\$44.45	547,822	\$1,459	\$171
Mar-99	\$14,870,314	\$3,103,749	22.14%	\$11,766,565	5.27%	341,307	\$43.57	579,036	\$1,379	\$180
Apr-99	\$15,404,576	\$3,450,888	24.58%	\$11,953,688	5.23%	334,305	\$46.08	565,613	\$1,533	\$183
May-99	\$15,265,919	\$3,448,046	24.73%	\$11,817,873	5.20%	341,094	\$44.76	579,544	\$1,532	\$181
Jun-99	\$14,136,974	\$2,941,252	23.11%	\$11,195,722	5.38%	323,554	\$43.69	538,793	\$1,290	\$172
TOTALS:	\$169,067,703	\$37,777,600	24.11%	\$131,290,104	5.31%	3,889,052	\$43.47	6,515,908	\$1,393	\$168

# Harrah's Maryland Heights

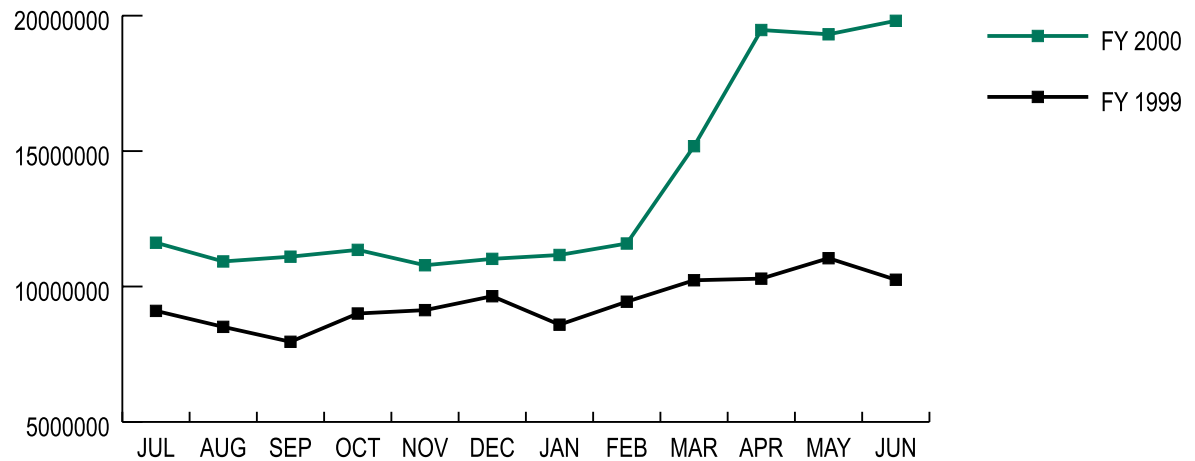
General Manager: Vern Jennings  
777 Casino Center Drive  
Maryland Heights, Missouri 63146  
(314) 770-8100

Date Licensed: March 11, 1997  
Gaming Space: 104,000 Square Feet (four casinos)  
Electronic Gaming Devices: 1,622  
Table Games: 48  
Restaurants: 4  
200 Room Hotel, Meeting Space  
Surface and Garage Parking  
Employee Wages, Benefits, and Payroll Related Expenses: \$48,752,000  
Real Estate/Personal Property Tax: \$5,748,000  
State Sales Tax: \$1,709,000  
Charitable Donations: \$190,300 (includes \$68,800 from employees to United Way )  
Total Employment: 2,184  
Minority Employment: 830  
Female Employment: 1,201

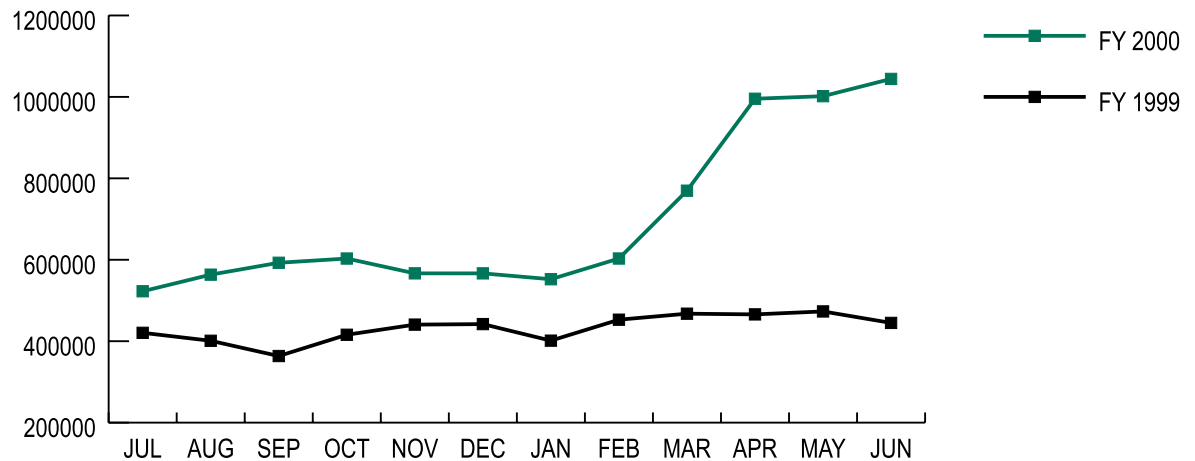
## Market Analysis

Harrah's Maryland Heights and Players Maryland Heights merged effective March 22, 2000, therefore the entire complex is now under a common management and brand. Harrah's posted gaming revenue of \$163.3 million. Gaming revenue growth for the first nine months preceding the merger was approximately 25%, primarily due to an increase in patrons. Following the merger, the comparable growth rate was only 2%, as some loyal customers of Players defected to other area casinos.

## Monthly Gaming Revenue



## Monthly Patrons



### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$11,617,295	\$2,136,893	19.40%	\$9,480,401	5.25%	329,336	\$35.27	522,639	\$1,454	\$189
Aug-99	\$10,925,659	\$2,089,272	19.69%	\$8,836,388	4.98%	330,376	\$33.07	563,443	\$1,421	\$176
Sep-99	\$11,101,734	\$1,868,532	18.80%	\$9,233,202	5.48%	326,494	\$34.00	592,652	\$1,298	\$192
Oct-99	\$11,353,507	\$2,297,694	22.45%	\$9,055,813	5.28%	336,038	\$33.79	603,027	\$1,563	\$181
Nov-99	\$10,785,460	\$2,022,450	20.32%	\$8,763,011	5.46%	314,360	\$34.31	566,620	\$1,404	\$176
Dec-99	\$11,021,111	\$2,100,220	20.25%	\$8,920,892	5.54%	311,787	\$35.35	566,598	\$1,458	\$179
Jan-00	\$11,164,847	\$2,076,757	20.95%	\$9,088,090	5.61%	300,543	\$37.15	552,191	\$1,442	\$185
Feb-00	\$11,587,408	\$2,094,602	20.67%	\$9,492,805	5.73%	333,323	\$34.76	603,063	\$1,455	\$194
Mar-00	\$15,181,066	\$2,656,632	21.54%	\$12,524,434	5.74%	424,372	\$35.77	769,672	\$1,807	\$259
Apr-00	\$19,469,968	\$3,225,608	20.71%	\$16,244,360	5.58%	545,844	\$35.67	995,462	\$2,194	\$336
May-00	\$19,312,019	\$3,033,224	19.93%	\$16,278,795	5.51%	551,399	\$35.02	1,001,771	\$2,063	\$335
Jun-00	\$19,810,316	\$3,026,031	19.85%	\$16,784,285	5.63%	578,662	\$34.23	1,044,196	\$2,059	\$345
TOTALS:	\$163,330,389	\$28,627,912	20.37%	\$134,702,477	5.59%	4,682,534	\$34.88	8,381,334	\$1,635	\$229

### Fiscal Year Ended June 30, 1999

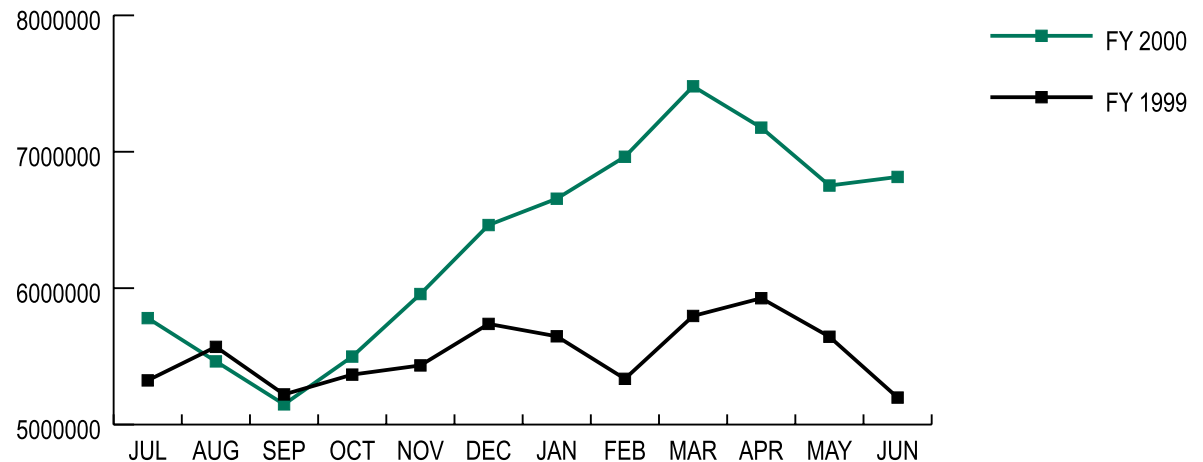
MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$9,100,399	\$1,646,666	18.73%	\$7,453,733	5.68%	274,598	\$33.14	420,609	\$1,144	\$150
Aug-98	\$8,510,530	\$1,726,586	20.24%	\$6,783,944	5.26%	259,885	\$32.75	401,051	\$1,199	\$136
Sep-98	\$7,959,666	\$1,410,881	17.93%	\$6,548,786	5.44%	234,177	\$33.99	363,571	\$980	\$132
Oct-98	\$9,003,058	\$1,591,373	18.20%	\$7,411,685	5.32%	272,470	\$33.04	415,849	\$1,102	\$147
Nov-98	\$9,128,277	\$1,724,465	18.61%	\$7,403,811	5.28%	281,443	\$32.43	440,727	\$1,198	\$147
Dec-98	\$9,641,500	\$1,848,099	19.41%	\$7,793,400	5.46%	281,098	\$34.30	441,995	\$1,283	\$157
Jan-99	\$8,591,384	\$1,628,320	18.40%	\$6,963,064	5.05%	253,660	\$33.87	401,359	\$1,131	\$140
Feb-99	\$9,439,385	\$1,772,765	19.56%	\$7,666,620	5.34%	285,544	\$33.06	452,827	\$1,231	\$152
Mar-99	\$10,230,419	\$1,923,290	19.19%	\$8,307,129	5.33%	292,819	\$34.94	467,590	\$1,308	\$165
Apr-99	\$10,290,517	\$1,666,137	16.65%	\$8,624,380	5.36%	290,232	\$35.46	465,847	\$1,133	\$172
May-99	\$11,044,958	\$2,001,359	19.50%	\$9,043,599	5.43%	296,112	\$37.30	473,104	\$1,361	\$180
Jun-99	\$10,250,484	\$1,698,479	17.81%	\$8,552,005	5.51%	280,388	\$36.56	444,946	\$1,155	\$171
TOTALS:	\$113,190,577	\$20,638,420	18.68%	\$92,552,157	5.37%	3,302,426	\$34.27	5,189,475	\$1,186	\$154

# Hilton - Kansas City\*

General Manager: Dan Weindruch  
1800 E. Front Street  
Kansas City, Missouri 64120  
(816) 855-7777

Date Licensed: October 18, 1996 (Hilton) / June 6, 2000 (Isle of Capri)  
Gaming Space: 30,000 Square Feet  
Electronic Gaming Devices: 1,015  
Table Games: 45  
Restaurants: 3  
Surface and Garage Parking  
Riverfront Park  
Employee Wages, Benefits, and Payroll Related Expenses: \$24,536,000 (estimate)  
City Lease Payments: \$3,550,000 (CY 1999)  
Total Employment: 826  
Minority Employment: 396  
Female Employment: 404

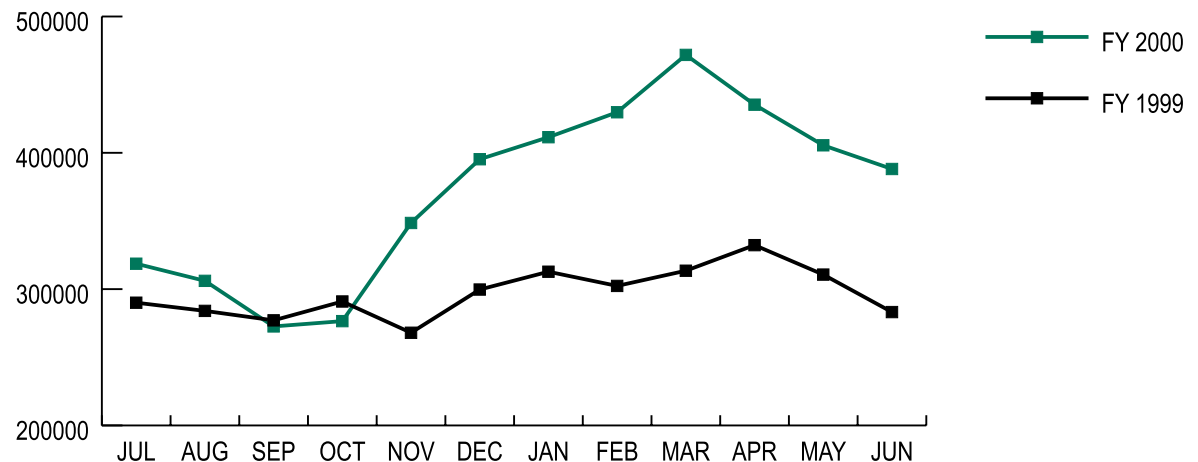
## Monthly Gaming Revenue



## Market Analysis

The Isle of Capri purchased the Hilton Flamingo effective June 6, 2000. The casino posted improved results for the fiscal year with gaming revenue of \$72.2 million, a 15% increase over the prior year. The gain reflects an 8% increase in patrons combined with a 7% increase in WPP. Hilton, as a one-boat operator, benefited substantially from open boarding, particularly in the table games sector.

## Monthly Patrons



\*This property was sold to Isle of Capri on June 6, 2000

### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$5,780,367	\$1,126,149	21.85%	\$4,654,219	5.49%	179,900	\$32.13	318,657	\$853	\$152
Aug-99	\$5,463,136	\$1,164,642	23.93%	\$4,298,494	5.35%	169,062	\$32.31	306,077	\$882	\$140
Sep-99	\$5,148,129	\$897,500	18.98%	\$4,250,630	5.58%	151,177	\$34.05	272,647	\$680	\$139
Oct-99	\$5,498,517	\$1,230,005	25.03%	\$4,268,512	5.37%	150,653	\$36.50	276,524	\$932	\$139
Nov-99	\$5,956,941	\$1,234,455	22.35%	\$4,722,486	5.44%	167,782	\$35.50	348,538	\$935	\$154
Dec-99	\$6,462,727	\$1,502,514	23.24%	\$4,960,214	5.51%	185,901	\$34.76	395,288	\$1,138	\$162
Jan-00	\$6,655,903	\$1,517,702	24.00%	\$5,138,202	5.32%	187,741	\$35.45	411,453	\$1,150	\$167
Feb-00	\$6,963,481	\$1,292,990	19.52%	\$5,670,491	5.28%	197,850	\$35.20	429,752	\$1,197	\$185
Mar-00	\$7,479,691	\$1,500,200	21.06%	\$5,979,492	5.28%	210,890	\$35.47	471,836	\$1,389	\$195
Apr-00	\$7,176,854	\$1,395,630	22.26%	\$5,781,224	5.25%	201,405	\$35.63	435,316	\$1,193	\$188
May-00	\$6,752,346	\$1,388,456	23.76%	\$5,363,890	5.03%	189,576	\$35.62	405,506	\$1,187	\$175
Jun-00	\$6,815,514	\$1,028,679	19.50%	\$5,786,835	5.81%	183,249	\$37.19	388,134	\$762	\$189
TOTALS:	\$76,153,607	\$15,278,919	22.02%	\$60,874,688	5.36%	2,175,186	\$35.01	4,459,728	\$1,025	\$165

### Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$5,323,754	\$1,305,043	22.77%	\$4,018,711	5.48%	170,189	\$31.28	290,048	\$906	\$133
Aug-98	\$5,569,712	\$1,312,796	22.87%	\$4,256,916	5.89%	170,253	\$32.71	284,043	\$912	\$141
Sep-98	\$5,220,944	\$1,263,067	23.39%	\$3,957,878	5.64%	166,407	\$31.37	277,094	\$877	\$129
Oct-98	\$5,366,200	\$1,120,588	19.08%	\$4,245,613	5.60%	174,385	\$30.77	290,931	\$778	\$139
Nov-98	\$5,433,605	\$1,248,187	22.63%	\$4,185,418	5.69%	162,105	\$33.52	268,002	\$869	\$137
Dec-98	\$5,737,944	\$1,350,544	23.98%	\$4,387,400	5.78%	166,868	\$34.39	299,696	\$900	\$144
Jan-99	\$5,647,021	\$1,414,591	26.02%	\$4,232,430	5.50%	164,767	\$34.27	312,780	\$943	\$138
Feb-99	\$5,335,391	\$1,200,546	23.42%	\$4,134,845	5.49%	160,104	\$33.32	302,357	\$800	\$135
Mar-99	\$5,796,233	\$1,228,368	22.10%	\$4,567,866	5.75%	170,405	\$34.01	313,511	\$819	\$148
Apr-99	\$5,926,204	\$1,265,496	22.59%	\$4,660,708	5.48%	184,994	\$32.03	332,265	\$844	\$151
May-99	\$5,643,926	\$1,142,083	21.36%	\$4,501,843	5.54%	167,091	\$33.78	310,664	\$865	\$146
Jun-99	\$5,197,901	\$1,098,049	22.50%	\$4,099,853	5.37%	159,388	\$32.61	283,167	\$832	\$133
TOTALS:	\$66,198,836	\$14,949,355	22.70%	\$51,249,481	5.60%	2,016,956	\$32.82	3,564,558	\$862	\$139

# Kansas City Station Casino

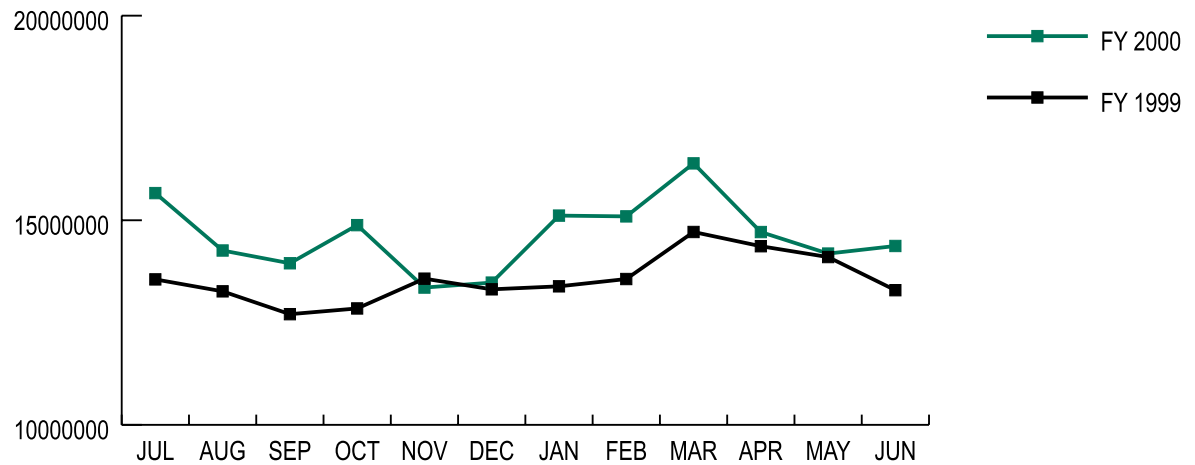
General Manager: John Finamore  
3200 North Station Drive  
Kansas City, Missouri 64161  
(816) 414-7000

Date Licensed: January 16, 1997  
Gaming Space: 140,000 Sq. Ft. (two boats)  
Electronic Gaming Devices: 3,288  
Table Games: 160  
Restaurants: 11  
Surface Parking  
200 Room Hotel  
18 Screen Movie Theatre, Concert Hall  
Employee Wages, Benefits, and Payroll Related Expenses: \$50,234,000  
Real Estate/Personal Property Tax: \$4,635,000  
State Sales Tax: \$2,082,000  
Charitable Donations: \$38,700  
Total Employment: 2,033  
Minority Employment: 617  
Female Employment: 999

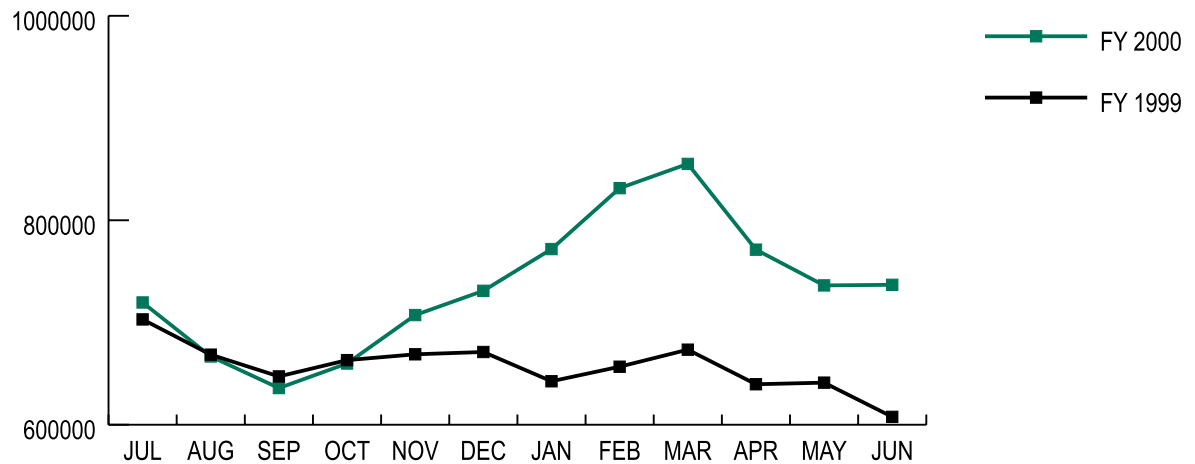
## Market Analysis

Kansas City Station posted strong results with gaming revenue of \$175.5 million, an 8% increase over the prior year. The growth primarily reflects a 7% increase in WPP due to higher slot volume per patron and a higher slot hold percentage, offset in part by lower table AGR due to open boarding related diversion.

### Monthly Gaming Revenue



### Monthly Patrons





### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$15,663,716	\$3,474,854	23.94%	\$12,188,862	6.03%	428,254	\$36.58	719,593	\$793	\$127
Aug-99	\$14,260,784	\$3,429,711	24.76%	\$10,831,073	5.68%	394,633	\$36.14	666,783	\$783	\$113
Sep-99	\$13,948,596	\$2,954,651	22.15%	\$10,993,945	5.94%	380,847	\$36.63	635,858	\$675	\$115
Oct-99	\$14,880,622	\$3,501,325	25.38%	\$11,379,297	5.78%	389,885	\$38.17	659,902	\$799	\$119
Nov-99	\$13,355,368	\$2,885,118	21.89%	\$10,470,251	5.87%	394,595	\$33.85	707,278	\$673	\$109
Dec-99	\$13,476,173	\$2,996,287	21.83%	\$10,479,887	6.17%	367,165	\$36.70	731,011	\$694	\$110
Jan-00	\$15,113,741	\$3,389,021	24.41%	\$11,724,720	6.17%	382,971	\$39.46	771,820	\$774	\$122
Feb-00	\$15,094,642	\$3,327,414	24.25%	\$11,767,228	5.87%	399,535	\$37.78	831,407	\$720	\$121
Mar-00	\$16,390,008	\$3,662,670	25.39%	\$12,727,338	6.10%	412,510	\$39.73	855,161	\$768	\$132
Apr-00	\$14,711,908	\$3,242,068	25.37%	\$11,469,841	5.97%	374,952	\$39.24	771,256	\$647	\$118
May-00	\$14,185,658	\$2,729,077	22.11%	\$11,456,581	6.23%	366,528	\$38.70	736,288	\$569	\$128
Jun-00	\$14,371,455	\$2,841,637	23.57%	\$11,529,818	6.38%	368,357	\$39.02	736,864	\$592	\$117
TOTALS:	\$175,452,672	\$38,433,831	23.78%	\$137,018,842	6.01%	4,660,232	\$37.65	8,823,221	\$707	\$119

### Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$13,554,764	\$3,406,892	23.54%	\$10,147,872	5.72%	424,572	\$31.93	703,016	\$641	\$109
Aug-98	\$13,262,795	\$3,460,996	25.21%	\$9,801,799	5.66%	403,328	\$32.88	668,545	\$645	\$104
Sep-98	\$12,704,757	\$2,860,739	21.91%	\$9,844,018	5.75%	383,532	\$33.13	647,236	\$536	\$104
Oct-98	\$12,844,808	\$3,198,563	22.00%	\$9,646,245	5.46%	393,566	\$32.64	663,190	\$599	\$102
Nov-98	\$13,572,727	\$3,568,012	25.12%	\$10,004,715	5.64%	391,541	\$34.66	668,884	\$668	\$106
Dec-98	\$13,312,056	\$3,582,646	24.77%	\$9,729,410	5.63%	384,913	\$34.58	671,148	\$671	\$104
Jan-99	\$13,385,154	\$3,601,099	25.69%	\$9,784,055	5.49%	370,011	\$36.18	642,518	\$674	\$105
Feb-99	\$13,563,783	\$3,269,561	24.09%	\$10,294,222	5.65%	377,143	\$35.96	656,752	\$609	\$109
Mar-99	\$14,713,374	\$3,539,225	24.13%	\$11,174,149	5.91%	389,652	\$37.76	673,427	\$663	\$118
Apr-99	\$14,365,551	\$3,454,566	23.92%	\$10,910,985	5.94%	373,705	\$38.44	639,594	\$647	\$116
May-99	\$14,100,536	\$3,202,927	22.62%	\$10,897,609	5.86%	376,611	\$37.44	641,163	\$659	\$116
Jun-99	\$13,290,755	\$3,053,016	24.08%	\$10,237,739	5.80%	362,678	\$36.65	607,706	\$694	\$103
TOTALS:	\$162,671,061	\$40,198,242	23.93%	\$122,472,819	5.71%	4,631,252	\$35.12	7,883,179	\$642	\$108

# President Casino on the Admiral

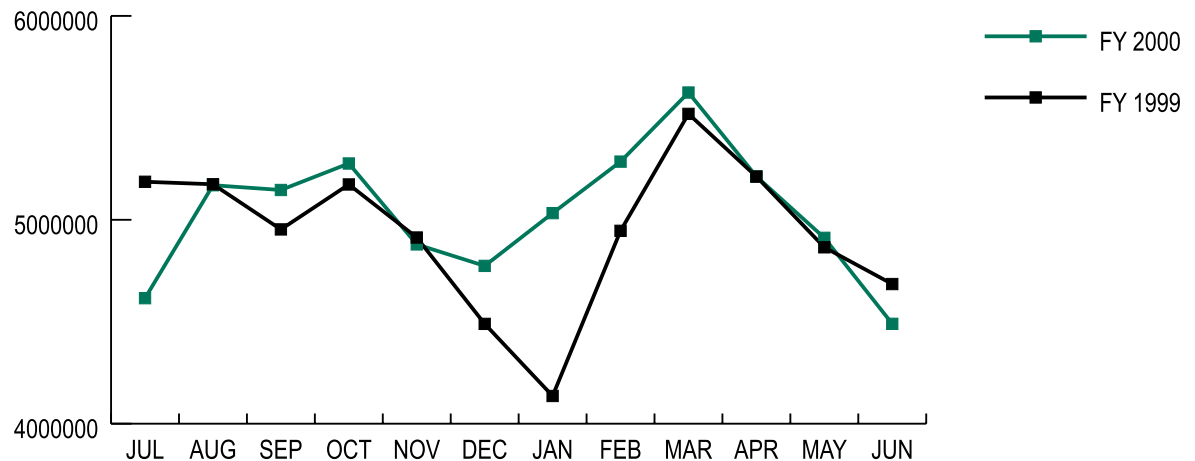
General Manager: Jim Zweiffel  
800 N. First Street  
St. Louis, Missouri 63102  
(314) 622-3000

Date Licensed: May 27, 1994  
Gaming Space: 58,000 Square Feet  
Electronic Gaming Devices: 1,222  
Table Games: 48  
Restaurants: 2  
Employee Wages, Benefits, and Payroll Related Expenses: \$20,252,000  
Real Estate/Personal Property Tax: \$197,000  
State Sales Tax: \$269,000  
City Lease Payments: \$1,230,000  
Charitable Donations: \$36,300  
Total Employment: 783  
Minority Employment: 493  
Female Employment: 473

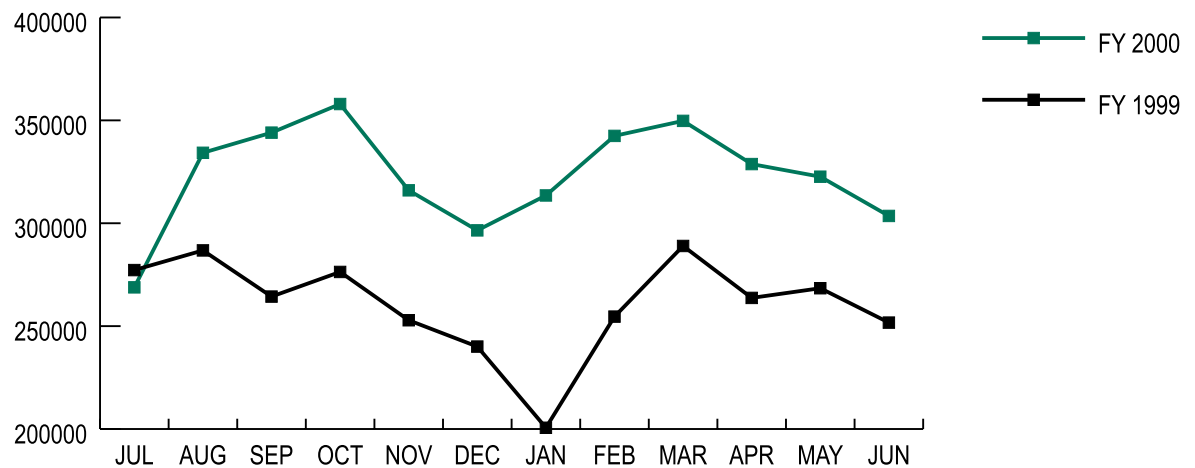
## Market Analysis

The President continues in a slow growth mode as gaming revenue increased only 2% to \$60.4 million. The gain reflects an 11% increase in patrons, due to open boarding, offset by an 8% decline in WPP. The decline in WPP primarily reflects lower slot and table play per patron. The President is currently relocating to a site with better ingress, egress and parking characteristics. They are also working to enhance their slot technology and player tracking technology.

## Monthly Gaming Revenue



## Monthly Patrons



### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$4,615,587	\$817,172	26.27%	\$3,798,415	6.24%	132,508	\$34.83	268,844	\$495	\$103
Aug-99	\$5,169,610	\$815,987	20.99%	\$4,353,623	6.23%	153,583	\$33.66	334,242	\$495	\$118
Sep-99	\$5,146,226	\$894,621	21.52%	\$4,251,605	6.26%	153,098	\$33.61	344,034	\$542	\$112
Oct-99	\$5,276,156	\$998,128	23.74%	\$4,278,028	6.22%	155,336	\$33.97	357,936	\$605	\$113
Nov-99	\$4,879,399	\$911,886	23.25%	\$3,967,513	6.10%	136,292	\$35.80	315,998	\$741	\$106
Dec-99	\$4,773,984	\$954,292	23.93%	\$3,819,693	6.21%	125,243	\$38.12	296,533	\$636	\$102
Jan-00	\$5,032,718	\$1,038,019	25.53%	\$3,994,698	6.38%	125,060	\$40.24	313,505	\$887	\$106
Feb-00	\$5,285,370	\$796,366	19.52%	\$4,489,004	6.23%	137,366	\$38.48	342,453	\$647	\$117
Mar-00	\$5,624,256	\$1,087,699	24.56%	\$4,536,557	6.29%	146,300	\$38.44	349,754	\$788	\$123
Apr-00	\$5,212,477	\$1,047,447	25.83%	\$4,165,030	6.31%	138,431	\$37.65	328,756	\$698	\$113
May-00	\$4,911,623	\$926,484	23.93%	\$3,985,139	6.10%	136,314	\$36.03	322,625	\$618	\$108
Jun-00	\$4,489,880	\$715,995	20.01%	\$3,773,886	6.42%	130,011	\$34.53	303,554	\$497	\$103
TOTALS:	\$60,417,285	\$11,004,095	23.24%	\$49,413,190	6.25%	1,669,542	\$36.19	3,878,234	\$638	\$110

### Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$5,186,535	\$891,644	22.10%	\$4,294,891	6.53%	139,697	\$37.13	277,237	\$521	\$115
Aug-98	\$5,174,338	\$934,227	21.73%	\$4,240,112	6.46%	143,146	\$36.15	286,795	\$542	\$115
Sep-98	\$4,952,838	\$892,331	22.23%	\$4,060,508	6.60%	134,289	\$36.88	264,356	\$488	\$110
Oct-98	\$5,173,323	\$936,149	23.02%	\$4,237,175	6.33%	137,534	\$37.61	276,333	\$503	\$114
Nov-98	\$4,913,112	\$918,358	23.88%	\$3,994,755	6.43%	126,813	\$38.74	252,855	\$494	\$108
Dec-98	\$4,489,568	\$833,221	21.36%	\$3,656,347	6.21%	112,633	\$39.86	240,059	\$448	\$100
Jan-99	\$4,135,919	\$798,322	24.97%	\$3,337,598	6.50%	92,094	\$44.91	200,608	\$467	\$90
Feb-99	\$4,945,989	\$970,705	24.66%	\$3,975,283	6.08%	117,024	\$42.26	254,626	\$522	\$108
Mar-99	\$5,519,591	\$1,176,711	25.92%	\$4,342,880	6.24%	130,816	\$42.19	288,955	\$623	\$118
Apr-99	\$5,211,980	\$929,983	22.52%	\$4,281,997	6.48%	126,716	\$41.13	263,715	\$492	\$116
May-99	\$4,865,065	\$881,760	21.99%	\$3,983,305	6.13%	128,083	\$37.98	268,419	\$467	\$108
Jun-99	\$4,684,838	\$908,687	25.48%	\$3,776,151	6.24%	121,698	\$38.50	251,711	\$513	\$102
TOTALS:	\$59,253,097	\$11,072,096	23.29%	\$48,181,001	6.35%	1,510,543	\$39.23	3,125,669	\$507	\$109

# St. Charles Riverfront Station

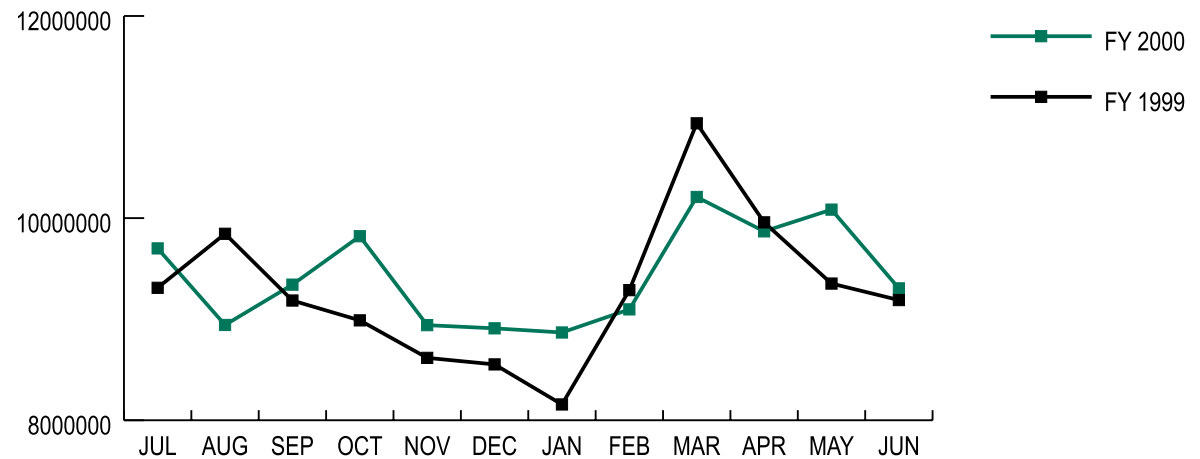
General Manager: Tony Raymon  
1260 South Main Street  
St. Charles, Missouri 63301  
(314) 940-3400

Date Licensed: May 27, 1994  
Gaming Space: 46,000 Square Feet  
Electronic Gaming Devices: 1,841  
Table Games: 50  
Restaurants: 2  
Garage and Surface Parking  
Employee Wages, Benefits, and Payroll Related Expenses: \$33,115,000  
Real Estate/Personal Property Tax: \$2,681,000  
State Sales Tax: \$513,000  
City Lease Payments: None  
Charitable Donations: \$61,500  
Total Employment: 1,073  
Minority Employment: 242  
Female Employment: 540

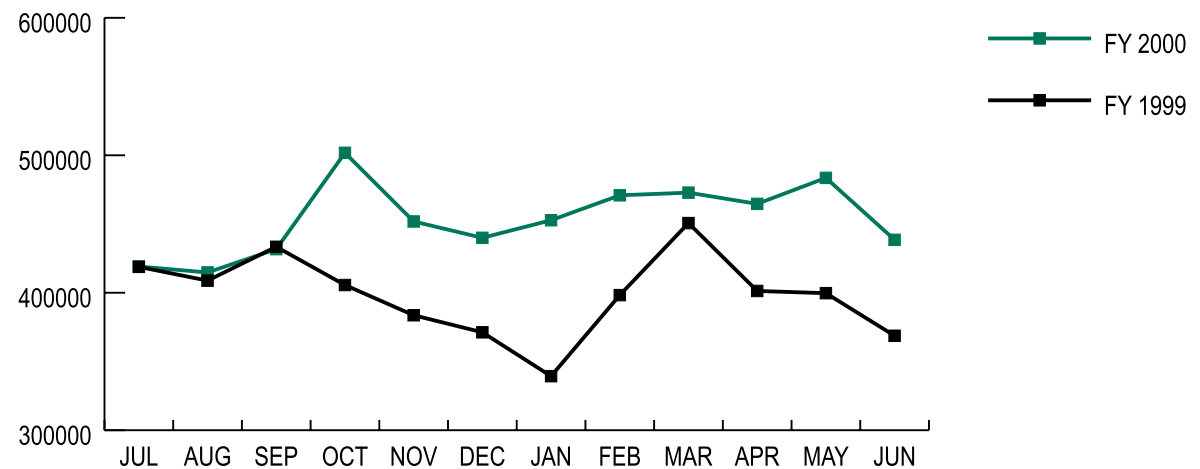
## Market Analysis

Station posted flat results for a second year in a row, with gaming revenue increasing only 2% to \$113.1 million. The results reflect a 5% decline in patrons offset by a 7% increase in WPP. The increase in WPP is partly due to higher slot hold and table win percentages. Station recently closed their boat and expanded capacity on their barge, reducing net capacity by approximately 16 tables and 267 slot machines.

## Monthly Gaming Revenue



## Monthly Patrons



### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$9,700,408	\$1,668,781	22.33%	\$8,031,627	6.08%	238,212	\$40.72	419,089	\$830	\$134
Aug-99	\$8,942,927	\$1,572,657	22.60%	\$7,370,270	5.67%	240,258	\$37.22	414,749	\$782	\$123
Sep-99	\$9,341,817	\$1,624,863	23.68%	\$7,716,954	6.12%	229,514	\$40.70	431,731	\$846	\$127
Oct-99	\$9,820,935	\$1,817,907	25.64%	\$8,003,029	5.96%	248,184	\$39.57	501,792	\$932	\$132
Nov-99	\$8,941,029	\$1,749,727	25.00%	\$7,191,302	5.90%	223,222	\$40.05	451,862	\$897	\$119
Dec-99	\$8,909,462	\$1,697,326	22.96%	\$7,212,137	5.96%	216,647	\$41.12	439,958	\$857	\$120
Jan-00	\$8,868,426	\$1,577,722	23.29%	\$7,290,704	5.69%	217,740	\$40.73	452,756	\$797	\$148
Feb-00	\$9,096,935	\$1,519,838	23.06%	\$7,577,098	5.98%	231,994	\$39.21	470,885	\$792	\$206
Mar-00	\$10,209,232	\$1,745,829	25.54%	\$8,463,403	6.12%	207,697	\$49.15	472,824	\$1,164	\$162
Apr-00	\$9,869,050	\$1,503,777	23.09%	\$8,365,273	6.10%	190,869	\$51.71	464,657	\$1,067	\$160
May-00	\$10,084,194	\$1,615,088	24.48%	\$8,469,106	6.36%	197,943	\$50.94	483,564	\$1,077	\$157
Jun-00	\$9,304,981	\$1,391,287	22.49%	\$7,913,694	6.34%	184,909	\$50.32	438,510	\$928	\$143
TOTALS:	\$113,089,397	\$19,484,801	23.68%	\$93,604,596	6.03%	2,627,189	\$43.05	5,442,377	\$914	\$144

### Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$9,310,587	\$1,883,406	23.34%	\$7,427,181	5.58%	244,313	\$38.11	418,832	\$739	\$134
Aug-98	\$9,845,100	\$1,504,620	20.64%	\$8,340,480	6.32%	237,745	\$41.41	408,817	\$604	\$151
Sep-98	\$9,184,689	\$1,591,794	21.81%	\$7,592,895	5.63%	262,267	\$35.02	433,431	\$624	\$147
Oct-98	\$8,988,312	\$1,529,752	19.47%	\$7,458,560	5.58%	238,151	\$37.74	405,610	\$600	\$144
Nov-98	\$8,617,352	\$1,488,522	19.14%	\$7,128,830	5.67%	227,595	\$37.86	383,632	\$584	\$137
Dec-98	\$8,552,519	\$1,803,133	22.58%	\$6,749,385	5.44%	218,506	\$39.14	371,223	\$781	\$123
Jan-99	\$8,156,331	\$1,770,482	25.55%	\$6,385,849	5.46%	192,508	\$42.37	339,317	\$694	\$116
Feb-99	\$9,287,285	\$1,789,269	22.10%	\$7,498,017	5.90%	225,178	\$41.24	398,276	\$785	\$134
Mar-99	\$10,937,964	\$2,319,661	27.48%	\$8,618,302	5.80%	254,312	\$43.01	450,682	\$1,311	\$150
Apr-99	\$9,958,115	\$1,960,348	25.51%	\$7,997,767	5.86%	223,581	\$44.54	401,304	\$961	\$134
May-99	\$9,352,472	\$1,708,083	23.35%	\$7,644,389	5.75%	223,721	\$41.80	399,687	\$850	\$129
Jun-99	\$9,189,168	\$1,666,667	24.87%	\$7,522,501	6.19%	208,617	\$44.05	368,705	\$896	\$126
TOTALS:	\$111,379,893	\$21,015,736	23.06%	\$90,364,157	5.77%	2,756,494	\$40.41	4,779,516	\$786	\$135

# St. Jo Frontier Casino II

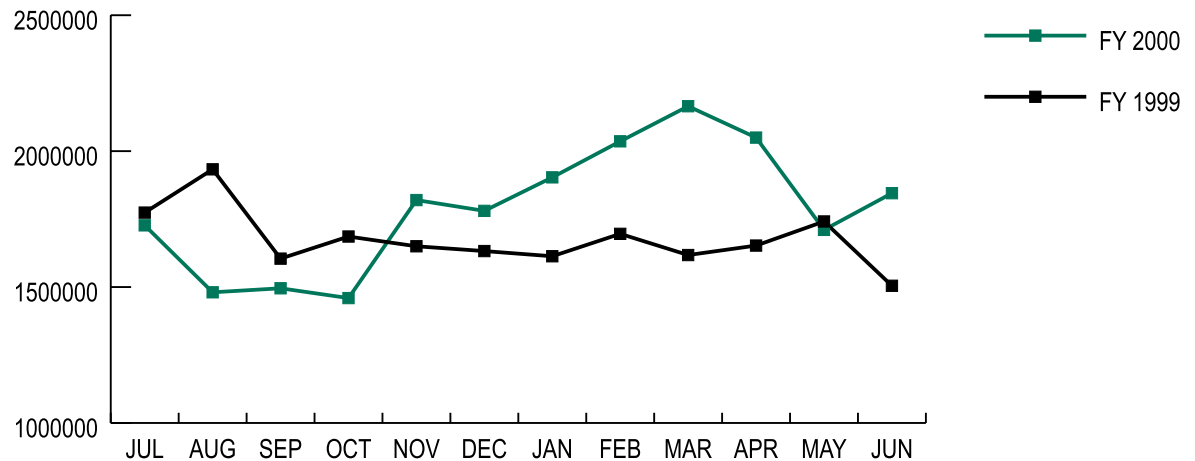
General Manager: Bob Little  
777 Winners Circle  
St. Joseph, Missouri 64505  
(816) 279-5514

Date Licensed: June 24, 1994  
Gaming Space: 18,000 Square Feet  
Electronic Gaming Devices: 470  
Table Games: 18  
Restaurants: 2  
Surface Parking  
Meeting Space  
Employee Wages, Benefits, and Payroll Related Expenses: \$6,907,000  
Real Estate/Personal Property Tax: \$291,000  
State Sales Tax: \$97,000  
City Lease Payments: Buchanan County \$264,500; St. Joseph \$264,500  
Charitable Donations: \$33,800  
Sponsorships: \$56,800  
Total Employment: 322  
Minority Employment: 24  
Female Employment: 202

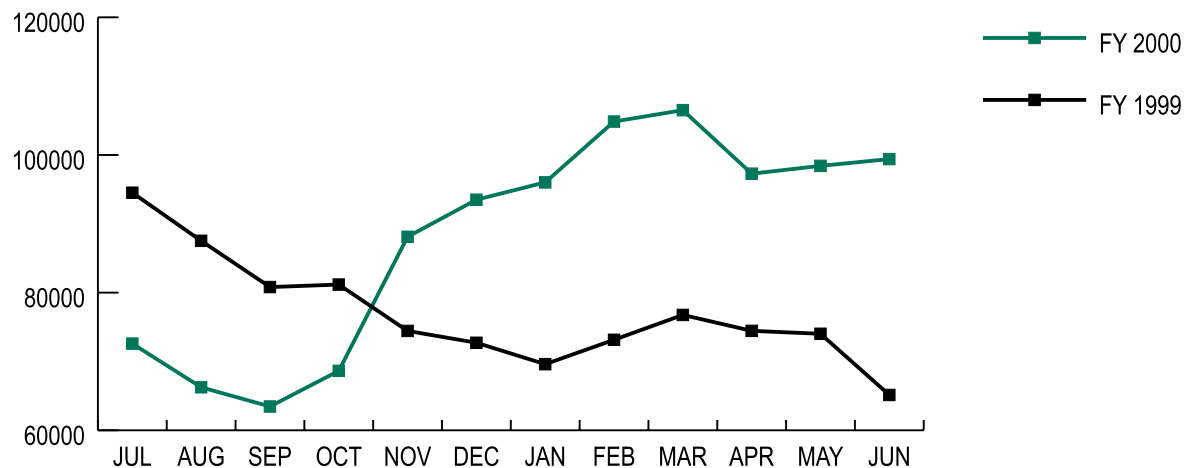
## Market Analysis

St. Jo posted gaming revenue of \$21.5 million, a 7% increase over the prior fiscal year. The gain primarily reflects the positive impact of open boarding which more than offset weak results during the first part of the year. St. Jo had the second highest slot hold of 6.4% and the highest table win of 25.1% in the state.

## Monthly Gaming Revenue



## Monthly Patrons



### Fiscal Year Ended June 30, 2000

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-99	\$1,726,992	\$378,212	27.23%	\$1,348,780	6.76%	43,349	\$39.84	72,593	\$742	\$95
Aug-99	\$1,480,694	\$330,883	25.94%	\$1,149,811	6.17%	39,607	\$37.38	66,251	\$649	\$81
Sep-99	\$1,495,469	\$316,576	26.48%	\$1,178,893	6.41%	37,962	\$39.39	63,454	\$586	\$83
Oct-99	\$1,459,444	\$271,226	21.27%	\$1,188,218	5.96%	40,619	\$35.93	68,635	\$502	\$84
Nov-99	\$1,819,990	\$398,086	29.95%	\$1,421,904	6.45%	46,212	\$39.38	88,112	\$737	\$100
Dec-99	\$1,780,292	\$359,236	25.36%	\$1,421,057	6.55%	45,419	\$39.20	93,500	\$665	\$100
Jan-00	\$1,903,551	\$359,683	26.95%	\$1,543,868	6.85%	48,071	\$39.60	96,018	\$666	\$109
Feb-00	\$2,036,066	\$308,261	21.62%	\$1,727,805	6.66%	50,811	\$40.07	104,857	\$571	\$122
Mar-00	\$2,165,170	\$405,446	27.88%	\$1,759,725	6.53%	52,360	\$41.35	106,510	\$751	\$124
Apr-00	\$2,049,817	\$364,389	28.08%	\$1,685,429	6.42%	47,808	\$42.88	97,283	\$675	\$119
May-00	\$1,710,319	\$177,444	13.39%	\$1,532,875	5.99%	48,222	\$35.47	98,417	\$329	\$108
Jun-00	\$1,845,259	\$357,427	26.56%	\$1,487,832	6.16%	48,518	\$38.03	99,403	\$662	\$106
TOTALS:	\$21,473,063	\$4,026,867	25.07%	\$17,446,197	6.41%	548,958	\$39.12	1,055,033	\$628	\$102

### Fiscal Year Ended June 30, 1999

MONTH	TOTAL AGR	TABLE AGR	TABLE WIN %	SLOT AGR	SLOT HOLD %	PATRONS	WIN PER PATRON	ADMISSIONS	DAILY WIN PER TABLE	DAILY WIN PER SLOT
Jul-98	\$1,773,893	\$332,701	18.03%	\$1,441,192	7.53%	56,663	\$31.31	94,519	\$504	\$82
Aug-98	\$1,933,039	\$408,504	23.98%	\$1,524,535	8.04%	50,644	\$38.17	87,529	\$717	\$87
Sep-98	\$1,604,570	\$272,980	17.07%	\$1,331,591	7.22%	47,320	\$33.91	80,810	\$479	\$76
Oct-98	\$1,685,867	\$348,543	20.18%	\$1,337,324	6.84%	47,832	\$35.25	81,172	\$611	\$76
Nov-98	\$1,650,003	\$416,540	26.19%	\$1,233,463	6.75%	42,756	\$38.59	74,438	\$731	\$70
Dec-98	\$1,632,385	\$308,370	19.16%	\$1,324,016	7.11%	42,272	\$38.62	72,717	\$541	\$75
Jan-99	\$1,613,298	\$338,136	23.46%	\$1,275,163	7.13%	39,756	\$40.58	69,604	\$593	\$73
Feb-99	\$1,695,807	\$384,895	27.17%	\$1,310,912	6.92%	42,309	\$40.08	73,148	\$713	\$75
Mar-99	\$1,617,739	\$327,254	21.43%	\$1,290,485	6.20%	44,263	\$36.55	76,762	\$606	\$76
Apr-99	\$1,652,604	\$334,409	22.92%	\$1,318,195	6.43%	42,805	\$38.61	74,447	\$619	\$77
May-99	\$1,741,263	\$406,276	29.07%	\$1,334,988	6.55%	43,292	\$40.22	74,021	\$752	\$78
Jun-99	\$1,504,771	\$326,691	25.65%	\$1,178,080	6.48%	38,912	\$38.67	65,133	\$605	\$84
TOTALS:	\$20,105,239	\$4,205,295	22.62%	\$15,899,944	6.92%	538,824	\$37.31	924,300	\$623	\$77

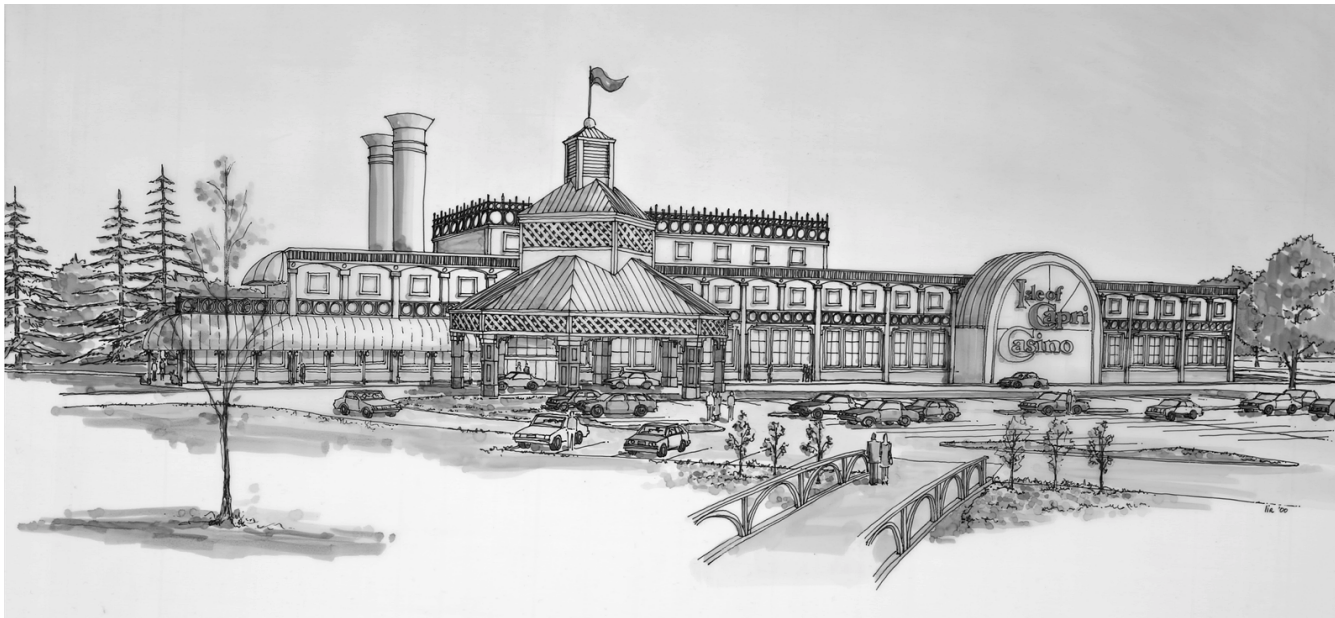


# Isle of Capri - Boonville

Project Manager: Kevin Stevens  
221 Main Street  
Boonville, MO 65233  
(228) 396-7021

Projected Opening Date: November 2001  
Gaming Space: 28,500 Square Feet  
Electronic Gaming Devices: 900  
Table Games: 35  
Deli & Buffet  
Surface Parking: 1,000 spaces  
Estimated Employment: 800  
Estimated Annual Payroll: \$22,500,000

This facility has been selected by the Commission as a priority for investigation pursuant to Section 313.805(1), RSMo. It has not been issued a license by the Commission and the company constructs the facility at its own risk. In order for the facility to begin operating gambling games, the company and its employees must be found suitable by the Commission and issued a gaming license. The information on this page is intended to provide you with basic information regarding the company's proposal.



# Isle of Capri - Jefferson County

Project Manager: Chris Rice  
1006 Main Street, Suite 101  
Imperial, Missouri 63052  
(636) 467-4753

Projected Opening Date: Unknown  
Gaming Space: 35,000 Square Feet  
Electronic Gaming Devices: 1,260  
Table Games: 40  
Hotel (200-rooms)  
Restaurant, Buffet & Deli / Grill  
Meeting Facility (5,000 square feet)  
Garage Parking: 1,300 spaces  
Estimated Employment: 1,057  
Estimated Annual Payroll: \$24,300,000

This facility has been selected by the Commission as a priority for investigation pursuant to Section 313.805(1), RSMo. It has not been issued a license by the Commission and the company constructs the facility at its own risk. In order for the facility to begin operating gambling games, the company and its employees must be found suitable by the Commission and issued a gaming license. The information on this page is intended to provide you with basic information regarding the company's proposal.

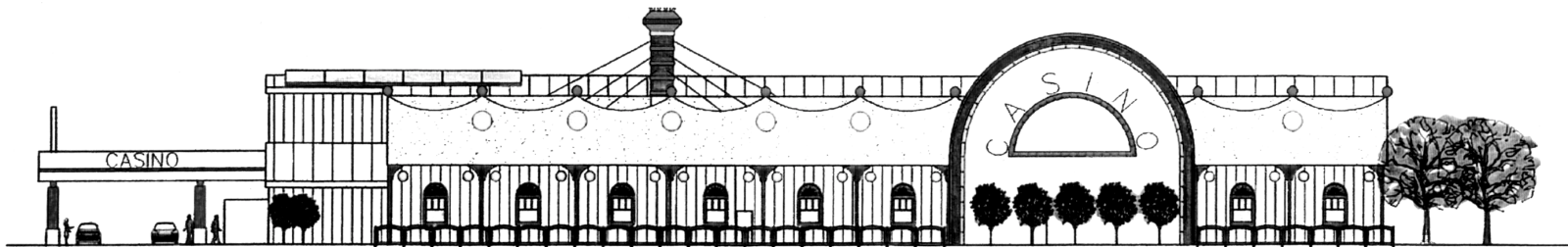


# Mark Twain Casino - LaGrange

General Manager: Bill Grace  
777 Winners Circle  
St. Joseph, Missouri 64505  
(816) 279-5514

Projected Opening Date: Unknown  
Gaming Space: 18,000 Square Feet  
Electronic Gaming Devices: 450  
Table Games: 14  
Restaurant & Lounge  
Surface Parking: 600 spaces  
Estimated Employment: 320  
Estimated Annual Payroll: \$5,800,000

This facility has been selected by the Commission as a priority for investigation pursuant to Section 313.805(1), RSMo. It has not been issued a license by the Commission and the company constructs the facility at its own risk. In order for the facility to begin operating gambling games, the company and its employees must be found suitable by the Commission and issued a gaming license. The information on this page is intended to provide you with basic information regarding the company's proposal.



# Home Dock Communities' Use of Gaming Funds

## CITY OF CARUTHERSVILLE

	1999-2000 Actual	2000-2001 Estimated		1999-2000 Actual	2000-2001 Estimated
<u>Drainage</u>			<u>Public Safety</u>		
20th Street Drainage	\$ 288,259.99	\$ 75,000.00	Weed/Seed Funding	\$ 10,000.00	\$ -
10th/Collins	\$ 29,898.61	\$ 5,000.00	Jail	\$ -	\$ 300,000.00
			Additional Police Officers	\$ 50,676.00	\$ 52,000.00
<u>Water/Wastewater Improvements</u>			Fire Department Equipment	\$ 31,692.48	\$ 20,000.00
Wastewater Plant Improvements	\$ 271,834.71	\$ 5,000.00			
Water Plant #1 Improvements	\$ 61,134.20	\$ -	<u>Other Infrastructure</u>		
Touch Read Meters	\$ -	\$ 30,000.00	Transportation funding	\$ 8,500.00	\$ 8,500.00
Hwy 84 Sewer Extension	\$ 130,451.74	\$ -	Sidewalks	\$ 3,377.50	\$ 5,000.00
			Airport Improvements	\$ -	\$ 105,000.00
<u>Street Improvements</u>			Sanitation Improvements	\$ -	\$ 30,000.00
Grand Avenue		\$ 200,000.00	Update Comprehensive Plan		\$ 88,500.00
6th Street		\$ 75,000.00			
				\$ 970,103.26	\$ 1,046,500.00
<u>Recreation</u>					
Park Parking Lot		\$ 15,000.00			
Library Improvements	\$ 64,468.53	\$ 16,500.00			
Veteran's Park	\$ 19,809.50	\$ -			
Tree Planting/Maintenance	\$ -	\$ 16,000.00			

SOURCE: City of Caruthersville

# CITY OF KANSAS CITY, MISSOURI

<b>Deferred Maintenance</b>	<b>Adopted 2000-01</b>	<b>Gaming Fund Capital Improvements</b>	<b>2000-01</b>
<b>Police Department</b>		<b>Roadways</b>	
Public Safety Radio Improvements	1,517,095	Street Preservation	147,692
		Boulevard Reconstruction	896,666
<b>Fire Department</b>		<b>Subtotal:</b>	<b>1,044,358</b>
Fire Apparatus and Equipment Replacement	1,948,546	<b>Walkways</b>	
		Citywide Sidewalks - Non Assessable	900,000
<b>Finance Department</b>		Pedestrian Signal Compliance	333,334
Payroll System Hardware	272,809	<b>Subtotal:</b>	<b>1,233,334</b>
<b>Neighborhood and Community Services</b>		<b>Streetlight System</b>	
Equipment Purchases	315,000	Streetlight System Expansion	5,000,000
<b>Parks and Recreation Department</b>		<b>Subtotal:</b>	<b>5,000,000</b>
Equipment Replacement	745,500	<b>Public Buildings</b>	
Street Tree Trimming	500,000	Kansas City Zoo Buildings and Grounds	430,000
Subtotal:	1,245,500	Municipal Service Center	1,399,988
<b>Environmental Management</b>		<b>Subtotal:</b>	<b>1,829,988</b>
Solid Waste Fleet Replacement	500,000	<b>Drainage and Flood Control</b>	
<b>Department of Public Works</b>		Blue River Flood Control Improvements	3,492,320
Equipment Replacement	2,851,050		
Street Sweepers Lease Payments	500,000	<b>Capital Improvements Total:</b>	<b>\$ 12,600,000</b>
Subtotal:	3,351,050	<b>Total Gaming Funds Allocated:</b>	<b>\$ 21,750,000</b>
<b>Total Deferred Maintenance:</b>	<b>\$ 9,150,000</b>		

SOURCE: City of Kansas City, Missouri

## CITY OF MARYLAND HEIGHTS

During 1999 the City adopted a policy on the distribution of gaming tax revenues. Beginning in 2000, 53% of the Gaming taxes are designated for Capital Improvements, 30% for the Earth City Expressway Fund which provides for infrastructure around the casinos, 12% for General Fund Operations and 5% for the Reserve Fund.

Annual appropriations/projects		Fund budgeted
Earth City Expressway Funding	\$5,100,000	Earth City Expressway Fund
Street slab replacement program	1,200,000	Capital Improvement Fund
Reserve Fund	850,000	Reserve Fund
Police department expanded operations	1,050,000	General Fund
Finance department expanded operations	90,000	General Fund
GIS System	200,000	General Fund
Public Relations Staff	50,000	General Fund
Administrative (Human Resources)	70,000	General Fund
Planning expanded operations	50,000	General Fund
Convention /Tourism promotion contract	75,000	General Fund

2000 Capital Improvement Fund Projects	
Smiley Road Reconstruction (North)	772,000
Smiley/Terry Intersection Improvements	200,000
Smiley Road Reconstruction (South)	350,000
Fee Fee Road Improvement near Midland	104,000
Ameling Bridge Replacement	986,000
Millwell Drive Extension	1,683,000
Eldon/Hollycrest Improvement	419,000
Midland Ave Reconstruction -Fee Fee to Smiley	1,118,000
Midland Ave Reconstruction-Smiley to Eldon	419,000
City Hall/Police Station study	53,000
Miscellaneous Improvements	112,000
Public Works Facility Improvements	345,000
Future Capital Improvement Funding	<u>1,704,000</u>
<b>Total 2000 Tax Revenues expected</b>	<b>\$17,000,000</b>

SOURCE: City of Maryland Heights

## CITY OF NORTH KANSAS CITY

### Civic Events & Organizations

Snake Saturday Parade	47,243
Winter Wonderland	7,085
Annual Barbeque & Funfest	28,856
NKC Business Council	3,771
Historical Committee	2,245
Parade Float	2,687
	<b>91,887</b>

### Administration

Communications/Firewall Server	750
Imaging System	750
Recodification	1,500
	<b>3,000</b>

### City Wide

Dagg Park Lighting & Restroom	1,576
Memorial Park Monumentation	19,212
High School Stadium Wall	5,350
Community Beautification & Lighting	12,064
Residential Pedestrian Lighting	5,499
Library Renovation	376,092
Community Activity Center	9,684,566
Recycling Equipment	4,994
Property Acquisition	705,000
Landscape Improvements	8,815
Richards Park	739
Woods Fountain	870
	<b>10,824,777</b>

### Fire

Defibulators	12,734
Classroom Equipment & Furniture	21,633
Supply & Fire Fighting Hose	10,067
Bunker Gear Replacement	34,379
Breathing Air Compressor	30,788
	<b>109,601</b>

### Parks & Recreation

Dagg Park Improvements	3,686
Shelter Renovation	101,827
Ballfield Improvements	48,972
	<b>154,485</b>

### Police

Bullet Proof Safety Vests	2,104
Y2K Improvements	1,441
Night Sights - PD Pistols	2,827
	<b>6,372</b>

### Buildings & Grounds

Animal Control Van	17,367
Riding Mower	27,686
Female Dorm & Training Room	250,561
Police Garage	321,048
Maintenance Building	619,726
Handicapped Door Openers	6,979
	<b>1,243,367</b>

### Streets

Street Barn Doors	2,983
Resurface 32nd	6,256
Street Barn Reroofing	28,413
Rehab Railroad Track Structure	48,000
	<b>85,652</b>

### Water

Water Well Replacement	31,285
Reservoir Water Main Replacement	203,584
Truck Mounted Generator	346,893
Reroof Water Treatment Plant	20,530
	<b>602,292</b>

### Water Pollution Control

Manhole Rehabilitation	105,915
Reline Sanitary Sewers	1,321,475
	<b>1,427,390</b>

### Other

Safety Committee	1,330
Contingency - Consultants/Project Planners/Unforeseen Expenses	78,089
	<b>79,419</b>

### Transfers To Other Funds

To General Fund - Gaming Rent	2,000,000
Utility Main./Replacement Accounts	901,250
Building Maintenance Reserve	375,000
Major Equipment Reserve	875,000
Community Center Operations Res.	2,625,000
Library Fund	2,800
	<b>6,779,050</b>

**21,407,292**

*SOURCE: City of North Kansas City*



## CITY OF RIVERSIDE

Argosy Casino has fulfilled all of the terms of its original agreement with the City of Riverside including payments of \$5,000,000 in advance rent and a \$1,000,000 grant for the construction of a city park. The original agreement also provided for a \$600,000 grant for the construction of a nine hole golf course. This portion of the agreement was mutually terminated and the money was returned to the Missouri Gaming Company. The following outlines city projects that have already been completed through the use of riverboat gaming funds:

- An overall Master Plan for development of the City
- A Master Plan for development of the new city park
- Riverbank stabilization and improvements to Renner-Brenner Historical Site Park
- \$3 million for the construction of a Community Center and swimming pool ,which opened May 30, 1998
- \$1 million for the construction of a Public Works Maintenance Building to house the Street Department
- Creation of a Public Works Department
- \$1.3 million used to retire outstanding sanitary sewer bonds
- \$5.3 million committed to construction of the L-385 flood protection levee
- \$250,000 for purchase of a new fire truck and upgrading existing fire equipment
- \$3 million for construction of E.H. Young Riverfront Park to be open in September 1998
- \$3 million committed to major street widening, bridge replacement, two intersection replacements and improvement of NW Gateway Street
- \$3 million in street projects already completed or to be completed in Fall, 1998
- \$3 million in street projects to begin June 1998 and to be completed by May 1999
- \$1.5 million committed to building a new post office facility

- \$3.5 million committed to the design and construction of a new City Hall facility
- A \$150,000 payment from Argosy Casino, along with a \$150,000 payment from the City of Riverside, to Platte County to retire outstanding bonds on Platte Purchase Bridge to allow MoDOT to accept the bridge into their system so that \$7 million in deck repairs and painting could be completed which allowed the bridge to remain open
- \$75,000 paid into Compulsive Gamblers Fund
- Contracts have been awarded to three engineering firms to design and complete street projects for the remainder of the city streets in Riverside.

*SOURCE: City of Riverside*

## CITY OF ST. CHARLES

<u>Description</u>	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>FY 00-01</u>	<u>Description</u>	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>FY 00-01</u>
<b>Stormwater Projects:</b>				<b>Parks:</b>			
Debt Service - Stormwater Bonds	847,000	855,000	1,085,000	Eco-Park Projects	300,000		99,200
Miscellaneous Stormwater Projects	798,000	455,400	381,700	Shafer Park Improvements	50,000	30,000	
Jet Rodder/Catch Basin Cleaner		95,000	60,000	Soccer Fields - Wapelhorst Park	150,000		
North Main Levee Project			500,000	Skateboard Park			100,000
Engineering	154,000			Land Acquisition		621,000	623,000
<b>Street Projects:</b>				<b>Tourism:</b>			
Street Surface Repairs	80,000			Carpet Replacement	35,000		
Alley Maintenance	70,000		50,000	Goldenrod Mooring Project	480,000		
Fox Hill Project		399,000		<b>Economic Development/Redevelopment:</b>			
I-70/Hawksnest Overpass	1,700,000	300,000		Economic Development Fund	338,000	305,400	306,700
Hemsath Road			965,000	Convention Center Project		300,000	1,531,500
5th Street Extension			275,000	Arena Project	300,000	300,000	600,000
Hackmann	150,000	1,350,000		<b>Water:</b>			
Pralle Road Reconstruction			1,750,000	Debt Service - Water Bonds	300,000	300,000	300,000
<b>Building Maintenance:</b>				<b>Water Pollution Control:</b>			
City Hall Interior & Exterior Renovations	30,000	29,000		Debt Service - Sewer Bonds	700,000	600,000	400,000
Exterior Facelift - City Hall Building		100,000		<b>Other:</b>			
<b>Police Department:</b>				Reserves		702,700	1,763,400
Personnel Costs	559,500	373,000	366,500				
Radio System Replacement		93,000	93,000				
Expand Police Facility		130,000					
					<b>7,041,500</b>	<b>7,338,500</b>	<b>11,250,000</b>

SOURCE: City of St. Charles

# CITY OF ST. JOSEPH

	CATEGORY	FY99	FY00	TOTAL EXPENDITURES
<b>Festival / Celebrations</b>				\$ 110,000
<b>Public Safety:</b>				
Police vest/traffic radar's/training			1,600	147,445
Police cars/Capital Outlay for General fund				1,248,980
Police Emergency Equipment/Radios			58,135	
Police K-9 Units			9,000	
Police CALEA Accreditation for Department			4,975	
Police Chairs			1,000	
Peace Officers Memorial			30,000	
Fire Vehicle Radios/Prevention Van			30,907	
Fire Exercise Equipment			5,000	
Fire House of Hazards			509	
Fire First Responder Protective Coats			27,685	
<b>Downtown Clean up Program</b>			9,700	231,572
<b>Infrastructure:</b>				
City Hall Doors Renovation				9,540
Civic Center Electric/Ballistrade Renovation		39,029	15,000	82,029
Parking Lot repairs				67,000
Downtown Sidewalks and Curbs				117,285
Riverfront Park				161,191
Recreational Complex				288,500
Francis Street Improvements			2,349	323,846
Period Lighting			22,800	
McArthur Drive Improvements		3,763	1,540	629,233
City Prosecutor's Office/Legal Renovations			10,357	
Fire Headquarters Renovation			14,999	
<b>Projects for a Better Neighborhood</b>		8,030	49,680	104,759
<b>Legal Claims</b>				312,500
<b>Professional Services</b>				10,000
<b>Chamber of Commerce - Marketing Campaign</b>		20,000	132,500	180,000
<b>Vehicles/Minor Equipment/Other items</b>		295,700	20,191	332,361
<b>All American Cities</b>				10,000
<b>Other:</b>				
		<b>827,522</b>	<b>786,451</b>	<b>5,131,265</b>
<b>Total Expenditures</b>				

SOURCE: City of St. Joseph

NOTE: Detailed information for this table was summarized. For complete data, contact the Gaming Commission.

## CITY OF ST. LOUIS

	FY96	FY97	FY98	FY99	FY00b	FY01b
<b>Public Safety</b>						
Riverfront Street Lighting Improvements	0	600,000	300,000	260,000	0	0
Riverfront Street Improvements	1,202,777	600,000	325,000	260,000	0	0
Payment to Port Authority (Admiral Relocation)	--	--	--	--	600,000	600,000
Police Patrols	631,876	618,692	527,185	478,918	497,721	496,175
Fire Department Marine Unit Supplies	450	34,033	13,308	9,750	25,000	25,000
Compulsive Gamblers' Fund	50,000	0	25,000	25,000	25,000	25,000
Subtotal	1,885,103	1,852,725	1,190,493	1,033,668	1,147,721	1,146,175
<b>Capital Improvements</b>						
Capital Fund Contribution	6,778,000	3,000,000	2,800,000	2,800,000	3,000,000	4,000,000
Rams Practice Facility Debt Retirement	--	--	--	--	--	250,000
Subtotal	6,778,000	3,000,000	2,800,000	2,800,000	3,000,000	4,250,000
<b>Economic Development</b>						
SLDC Economic Development	2,440,487	252,269	140,000	1,200,000	1,200,000	1,200,000
SLDC Housing Programs	0	1,000,000	1,000,000	0	0	0
Subtotal	2,440,487	1,252,269	1,140,000	1,200,000	1,200,000	1,200,000
Total	\$11,103,590	\$6,104,994	\$5,130,493	\$5,033,668	\$5,347,721	\$6,596,175

Notes:

<sup>1</sup> FY96 was first year in which revenues from gaming were appropriated and includes revenues from FY95.

<sup>2</sup> Riverfront street and light improvement figures represent budget amounts for each fiscal year. (Appropriations for capital items rollover each year and expenditures in any given fiscal year may include prior year appropriations.)

SOURCE: City of St. Louis

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